

suppress insurrection at home. You can be proud of your accomplishments, but the greatest deed you can perform for our nation today is to rekindle the fading light of the once brightly burning torch of patriotism that used to symbolize our Nation.

Thank you.

### Your Opinion, Please

#### EXTENSION OF REMARKS

OF

### HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1967

Mr. ESCH. Mr. Speaker, recently I conducted a mail poll of my constituents in the Second Congressional District of Michigan. Over 25,000 persons responded and gave me the benefit of their views on 15 vital issues facing this Congress. I am delighted with this response and encouraged that so many citizens would take the time to make their voices heard in Washington.

I would like to take this opportunity to make the entire membership aware of the results of this survey:

"YOUR OPINION, PLEASE"—QUESTIONNAIRE RESULTS, SECOND DISTRICT OF MICHIGAN, MARVIN L. ESCH, MEMBER OF CONGRESS

1. Realizing that the war raises many complex questions and problems, which of the following general courses of action do you favor in Vietnam?

	Percent
a. Continue present policy.....	14
b. Immediate withdrawal.....	20
c. Gradual deescalation and gradual withdrawal.....	36
d. Step up military effort.....	31
e. Other.....	15

2. Congress will soon be considering the East-West trade bill.

a. Do you believe we should encourage trade with the Soviet Union and Eastern European countries?

	Percent
Yes.....	58
No.....	36
No answer.....	6

b. Would your answer be different if the Vietnam war was over?

	Percent
Yes.....	13
No.....	72
No answer.....	15

3. Congress has extended the draft in substantially its present form. Do you consider this system reasonably fair?

	Percent
Yes.....	41
No.....	44
No answer.....	15

Footnote at end of speech.

4. If Congress were to change the draft, which of the following features would you like to see included?

	Percent
a. End student deferments.....	38
b. Employ a lottery system.....	22
c. Apply uniform national criteria.....	43
d. Phase out conscription and rely on higher paid and specialized volunteers.....	29
e. Establish universal service providing a choice between the military and some form of social service.....	43
f. Other.....	19

5. In the area of civil rights, should Congress:

	Percent
a. Eliminate discrimination in State and Federal jury selection.....	62
b. Pass legislation to protect civil rights workers.....	34
c. Adopt antiriot legislation.....	73
d. Pass an open housing law.....	35

6. Do you favor a Federal income tax increase as recommended by the administration?

	Percent
Yes.....	13
No.....	76
No answer.....	11

7. Should Federal Government spending be cut?

	Percent
Yes.....	81
No.....	13
No answer.....	6

8. If Congress were to cut Government spending, in which of the following areas should it concentrate?

	Percent
a. Defense.....	35
b. Foreign aid.....	74
c. Space projects.....	57
d. Education.....	19
e. Health.....	17
f. Poverty program.....	48
g. Highways.....	28
h. Agriculture.....	40
i. Aid to cities.....	44
j. Beautification.....	53

9. Do you favor tax incentives for industry to encourage the construction of air and pollution control devices?

	Percent
Yes.....	69
No.....	23
No answer.....	8

10. Do you favor a Federal income tax credit to offset, in part, costs incurred by parents sending children to college?

	Percent
Yes.....	63
No.....	33
No answer.....	4

11. Do you approve a tax sharing or tax credit concept whereby a fixed amount of Federal income tax revenue would be used by State and local governments without Federal control?

	Percent
Yes.....	63
No.....	33
No answer.....	4

We meet in stress to seek direction. The tasks are large and pressing. We look to Thee for guidance. Strife runs rampant in the land, mounting din and discord. Aberration sweeps the world, escalating madness—war!

Help us, we pray Thee, to restore sanity in our midst. Make us the instruments of peace.

Grant us the insight to recognize error, and the courage to correct it.

	Percent
Yes.....	58
No.....	33
No answer.....	9

12. Again this year legislation to control and regulate firearms has been introduced. In your opinion, should Congress:

	Percent
a. Require registration of all firearms.....	64
Yes.....	25
No.....	11
No answer.....	11
b. Establish Federal controls over the interstate sale of firearms through the mail.....	69
Yes.....	18
No.....	13
No answer.....	13

c. Deem Federal legislation unnecessary.

	Percent
Yes.....	22
No.....	48
No answer.....	30

13. Revision of social security benefits will come before the 90th Congress. Do you favor:

	Percent
a. A flat 8% increase, with additional provisions for increases tied to the cost-of-living index.....	42
Yes.....	27
No.....	31
No answer.....	31

b. A flat 20% increase, across the board, with the necessary increase in the social security taxes:

	Percent
Yes.....	13
No.....	48
No answer.....	39

c. An increase in the amount which beneficiaries can earn without forfeiting their social security from the present level of \$1,500 to a higher level:

	Percent
Yes.....	77
No.....	9
No answer.....	14

If you favor such an increase would you increase the limit to:

	Percent
\$2,000.....	13
\$2,500.....	15
\$3,000.....	27
Other.....	22

14. Do you favor further legislation to curb serious national strikes?

	Percent
Yes.....	73
No.....	24
No answer.....	3

15. Do you favor replacing the present National Labor Relations Board with a Labor Court as a part of the judicial system?

	Percent
Yes.....	36
No.....	35
No answer.....	29

<sup>1</sup> Where total percentage equals more than 100%, respondents selected more than one alternative.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, SEPTEMBER 20, 1967

The House met at 12 o'clock noon.

Rabbi Murry S. Penkower, Congregation Hope of Israel, Bronx, N.Y., offered the following prayer:

Heavenly Father, to Thee we turn in our hour of need and invoke Thy blessing upon this House.

These leaders gathered in counsel—be with them, O Lord. The people who look to them with trust—bless them, O Lord. And all of us filled with hope and concern, lift up Thy countenance toward us and grant us peace. Amen.

### THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 12257. An act to amend the Vocational Rehabilitation Act to extend and expand the authorization of grants to States for rehabilitation services, to authorize assistance in establishment and operation of a National Center for Deaf-Blind Youths and Adults, and to provide assistance for migrants.

## THE 20TH ANNIVERSARY OF THE CIA

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE of Illinois. Mr. Speaker, on September 18, the President paid tribute to the Central Intelligence Agency on the occasion of the 20th anniversary of its founding. Hailing the CIA as being the best professional intelligence service in the world, the President urged its continued dedication to the truth. Mr. Speaker, I would like to associate myself with the President's remarks and I place them in full in the Record at this point:

THE WHITE HOUSE,  
Washington, September 18, 1967.

This is a day when you should all be proud—especially those among you who have been a part of the Agency since its founding.

Twenty years ago, this country had no broad-scale professional intelligence service worthy of the name. Today, it has a strong and vital one—the best in the world.

Twenty years ago, you began with a vague assortment of functions and a varied assortment of people. Your purposes were not well understood inside the Government, and barely understood at all outside. Since that time, you have become a dedicated and disciplined core of professionals, with clearly-defined responsibilities.

Those responsibilities are vast and demanding. You give us information on which decisions affecting the course of history are made. Your product must be as perfect as is humanly possible—though the material you must work with is far from perfect.

You must keep pace with developments in a tremendously complex society, a society which, as your director, Mr. Helms, has said, "gropes for answers to challenges its founding fathers could never have conceived."

You have built a solid foundation in these past twenty years. America relies on your constant dedication to the truth—on your commitment to our democratic ideal. I believe our trust is well placed.

LYNDON B. JOHNSON.

## CALL OF THE HOUSE

Mr. HALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

CXIII—1645—Part 19

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 263]

Adams	Garmatz	Murphy, N.Y.
Aspinall	Griffiths	Pool
Baring	Hansen, Wash.	Pucinski
Belcher	Hays	Rarick
Blackburn	Hébert	Rees
Biatnik	Heckler, Mass.	Resnick
Brinkley	Holland	Sandman
Broomfield	Hunt	Tenzer
Celler	Leggett	Tiernan
Conte	Long, La.	Tunney
Corman	Long, Md.	Utt
Downing	McCulloch	Wolff
Feighan	Madden	Wyatt
Fountain	Moore	

The SPEAKER. On this rollcall, 390 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## INTER-AMERICAN DEVELOPMENT BANK ACT AMENDMENTS OF 1967—CONFERENCE REPORT

Mr. PATMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 9547) to amend the Inter-American Development Bank Act to authorize the United States to participate in an increase in the resources of the Fund for Special Operations of the Inter-American Development Bank, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

## CONFERENCE REPORT (H. REPT. No. 641)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9547) to amend the Inter-American Development Bank Act to authorize the United States to participate in an increase in the resources of the Fund for Special Operations of the Inter-American Development Bank, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That the Inter-American Development Bank Act (22 U.S.C. 283-283k) is amended by adding at the end thereof the following new section:

"Sec. 15. (a) The United States Governor of the Bank is hereby authorized to vote in favor of the resolution entitled 'Increase of \$1,200,000,000 in Resources of Fund for Special Operations' proposed by the Governors at their annual meeting in April 1967 and now pending before the Board of Governors of the Bank. Upon the adoption of such resolution, the United States Governor is authorized to agree, on behalf of the United States, to pay to the Fund for Special Operations of the Bank the sum of \$900,000,000, in accordance with and subject to the terms and conditions of such resolution, and subject to the

further condition that in consideration of the United States balance-of-payments deficit any local cost financing, by project or otherwise, with the funds authorized under this section be held to the minimum possible level. The United States Governor is also authorized to vote in favor of the amendment to Annex C of the agreement, now pending before the Board of Governors of the Bank, to modify the procedure employed in the election of Executive Directors.

"(b) There is hereby authorized to be appropriated without fiscal year limitation, for the United States share in the increase in the resources of the Fund for Special Operations of the Bank, the sum of \$900,000,000.

"(c) The voting power of the United States shall be exercised for the purpose of disapproving any loan which might assist the recipient country directly or indirectly to acquire sophisticated or heavy military equipment."

And the Senate agree to the same.

WRIGHT PATMAN,  
BILL BARRETT,  
LEONOR K. SULLIVAN,  
HENRY S. REUSS,  
THOMAS L. ASHLEY,  
WILLIAM B. WIDNALL,  
SEYMOUR HALPERN,  
ALBERT W. JOHNSON,

Managers on the Part of the House.

J. W. FULBRIGHT,  
JOHN SPARKMAN,  
MIKE MANSFIELD,  
B. B. HICKENLOOPER,  
GEORGE D. AIKEN,

Managers on the Part of the Senate.

## STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9547) to amend the Inter-American Development Bank Act to authorize the United States to participate in an increase in the resources of the Fund for Special Operations of the Inter-American Development Bank, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all of the House bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the House bill and the Senate amendment. The following statement explains the differences between the House bill and the substitute agreed to in conference.

The House bill contained a provision not included in the Senate amendment directing the Secretary of the Treasury to instruct the United States Executive Director of the Inter-American Development Bank to propose the establishment of a program of selective but continuing independent and comprehensive audit of the Bank, with the scope of the audit and the auditing and reporting standards being prepared for the Secretary of the Treasury by the Comptroller General, who would periodically review the audit reports and report to the Secretary of the Treasury and the Congress any suggestions he might have to improve the scope of the audit or the auditing and reporting standards used. The conference substitute omits this provision.

In the judgment of some of the Managers on the part of the House, an end-use review procedure of this kind, once adopted by the Bank, would have inured to the benefit of the Bank in accomplishing the ends of economic development for Latin America. The action of the Managers on the part of the House in receding on this provision should not be taken as a diminution in the concern of the Congress with respect to the efficacy of the Bank's operations; and it is hoped



that the United States representatives to the Bank will urge the Bank to review existing procedures to insure that the Bank is obtaining maximum value in its expenditure of funds.

The House bill and the Senate amendment both contained a provision authorizing the United States Governor of the Inter-American Development Bank to vote in favor of the pending resolution entitled "Increase of \$1,200,000,000 in Resources of Fund for Special Operations," and (upon the adoption of such resolution) to agree on behalf of the United States to pay to the Bank's Fund for Special Operations the sum of \$900,000,000 in accordance with such resolution. The House bill made the payment of \$900,000,000 subject to the further condition (not imposed by the Senate amendment) that in consideration of the United States balance-of-payments deficit any local cost financing with the funds so authorized be held to the minimum possible level. The conference substitute contains the House provision.

The Senate amendment contained a provision not included in the House bill directing that the United States voting power in the Bank be exercised to disapprove any loan which might assist the recipient country directly or indirectly in acquiring sophisticated or heavy military equipment. The conference substitute contains the Senate provision.

WRIGHT PATMAN,  
BILL BARRETT,  
LEONOR K. SULLIVAN,  
HENRY S. REUSS,  
THOMAS L. ASHLEY,  
WILLIAM B. WIDNALL,  
SEYMOUR HALPERN,  
ALBERT W. JOHNSON,

*Managers on the Part of the House.*

The SPEAKER. The gentleman from Texas [Mr. PATMAN] is recognized for 1 hour.

Mr. PATMAN. Mr. Speaker, I am happy to report to the Members of the House that the conference with the Members of the other body on H.R. 9547, the Inter-American Development Bank Act Amendments of 1967, has resulted in a bill acceptable to the managers of both Houses. The House amendment contained two provisions not found in the Senate version and, in turn, the Senate version contained one provision not found in the House-passed bill. The conference report in explanation of the resolution of these differences has been printed both in the CONGRESSIONAL RECORD of Thursday, September 14, and as House Report No. 641.

In substance, the bills passed by both Houses contain a provision authorizing the U.S. Governor of the Inter-American Development Bank to vote in favor of a resolution increasing the resources of the fund for special operations of the Bank and agreeing on behalf of the United States to pay into that fund the sum of \$900,000,000. The House bill made such payment subject to the condition that local cost financing with the funds authorized to be appropriated under the bill be held to minimum possible levels in view of U.S. balance-of-payments position. The Senate conferees stated their view that this amendment is a valuable addition to the legislation and the conference substitute, accordingly, contains this provision.

On the other hand, the Senate-passed bill contained a provision not contained in the House bill which called upon the United States to use its voting power in

the Bank to disapprove loans which might assist recipient countries in acquiring sophisticated or heavy military equipment. As the intent of this amendment is completely consistent with the purposes of the Bank in assisting in economic development and is in keeping with the existing administrative practices of the Bank, the managers on the part of the House accepted this Senate provision which is contained in the conference substitute.

However, on a provision contained in the House bill and not contained in the Senate bill, which would have directed the Secretary of the Treasury to instruct the U.S. Director to the Bank to propose the establishment of an audit procedure in the Bank under guidelines prepared for the Secretary of the Treasury by the Comptroller General, the conferees were unable to achieve agreement. Although your House conferees receded on this point, it would, indeed, be mistaken if officials of the Bank were to construe this action as suggesting any lack of concern on the part of the Congress in the appropriate management of the Bank's affairs. As is set forth in the statement of managers, the managers on the part of the House urged that U.S. Representatives to the Bank seek, nevertheless, to insure that appropriate end-use procedures are established in the Bank. This suggestion is not intended as a criticism of the Bank's past operating procedures. It is offered, rather, to insure continued efficiency and efficacy of the Bank's operations.

Mr. Speaker, the gentleman from Alabama [Mr. SELDEN] offered an amendment on the floor which we were unaware of on this side—at least I was wholly unacquainted with it.

It developed that Mr. SELDEN and his select subcommittee of the Committee on Foreign Affairs had made extensive investigations; they had visited a number of countries involved with this Bank. The report was made on May 1, 1967, and contained some criticism of the Bank. When the amendment came up, those of us on the majority side and some on the minority side talked with the gentleman from Alabama and we agreed to accept his amendment, which was adopted, I believe, without opposition.

At that time we did not know that the bank we are dealing with here, the Inter-American Development Bank, had reviewed these criticisms that had led to the amendment, and the Bank had offered what they considered to be a satisfactory reply to each and every one of those criticisms. They took them up point by point. They thought that their answer to those would be satisfactory to Mr. SELDEN's committee, to the Members of Congress, and everyone concerned. It is a document about 21 pages long, but it does take up each point that was criticized.

When Mr. SELDEN got up his report, he sent the page proofs, I am told, to the agency, and the agency, of course, sent him this reply.

The report, when it was printed, did not contain the answer of the agency. I have no criticism of anyone for that. That is entirely up to the subcommittee

and others who are involved in it. I am not making any criticism. The only suggestion I have to make is that we did not have all the facts when the amendment was adopted here on the floor. We just did not have them because we did not have the agency's side, whether anyone said they were sufficient or insufficient, satisfactory or unsatisfactory. I am not insisting upon an argument on either one of those points. But I do insist that before adopting the amendment we should have had the answer of the agency, which we did not have.

Therefore, I do not think the amendment was justified in the beginning, and I think that the conferees in unanimously turning it down were entirely right, because I do not believe there was justification for it in the conference report.

Mr. Speaker, I am aware that some question has been raised as to why the House conferees receded from the provision contained in the House bill which would have directed the Secretary of the Treasury to instruct the U.S. Director to the Bank to propose the establishment of an audit procedure in the Bank under guidelines prepared for the Secretary of the Treasury by the Comptroller General of the United States. The provision in question was offered in the closing minutes of the House consideration of the bill and was accepted without full consideration of its provisions. Frankly, it was accepted on the assumption that the audit procedures called for did not exist in the Bank and that such procedures were needed and desirable. I am equally sure that the amendment was offered in good faith, based upon this same assumption.

When the House and Senate conferees met on this bill, other substantive differences were disposed of in a matter of minutes. The remainder of the time spent in conference was spent in discussing this amendment. The first question asked by the Senate conferees concerning the audit provision in the House bill was whether or not any hearings had been held on this matter. We were, of course, compelled to confess that no such hearings had been held. Subsequent to the conference, I have had an opportunity of studying this matter in greater detail and find out that, in fact, the Inter-American Development Bank already has existing internal audit procedures, in addition to the external audit performed annually by one of the most reputable firms of public accountants in the Nation—Price Waterhouse & Co., which also audits the World Bank.

The Price Waterhouse examination is designed to give the Board of Directors of the Bank, as well as the member countries represented, assurances regarding the overall management of the Bank's activities. Their audit work includes tests of all the different types of bank transactions, including disbursements, collections, interest, contracts, guarantees, maintenance of value, letters of credit, and—most important—loans. They also obtain direct confirmation from borrowers as to validity, terms, and amount, of each loan receivable. Price Waterhouse always reviews all aspects of internal

control present in the Bank, including the work of the internal auditor, and makes recommendation to the Bank if improvement in these internal procedures appears necessary.

Over the past 5 years, the Bank has instituted an integrated loan control program, consisting of three separate phases: First, preventative and pre-lending controls; second, surveillance and administration controls; and third, financial, audit, and evaluation controls. At each of these phases auditing is performed although in each case such audits are conducted for a different purpose.

In summary, then, it may be stated that the Bank already has elaborate loan control internal and external audit procedures. The Bank already has a planned system to provide surveillance, control, audit and evaluation of loans, capable of being amended when necessary, and based upon professional expert advice. The entire system currently applied by the Bank includes different types of auditing, at different stages, and for different purposes, without duplication. The Bank's procedures stress independence, separation of duties, prevention of conflict of interest, on-site inspection and engineering review, supporting documentation of loan disbursements and many, many other more detailed controls. The Bank's goal is to maximize safeguards over fulfillment of the Bank's purposes. Since this was our purpose in adopting the amendment, it is clear that the amendment is not needed. In any event, having received this additional information, no such amendment should be adopted unless full and complete hearings are held so that all of the facts may be laid out on the record for the consideration of all Members.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. GROSS. Let us see if we can get this issue in proper perspective. This audit provision was adopted by the House, as I recall, without a dissenting vote.

Mr. PATMAN. Yes; it was.

Mr. GROSS. If I remember correctly, it was accepted by the chairman.

Mr. PATMAN. It was. We thought it was good. I believe in audits; the gentleman from Iowa believes in audits.

Mr. GROSS. The gentleman thought it was good at that time.

Mr. PATMAN. Yes.

Mr. GROSS. Then the gentleman and his members of his committee went to conference with the other body and, as I understand the situation, the gentleman from Texas supported the House amendment in the conference.

Mr. PATMAN. That is correct. I did.

Mr. GROSS. Now it comes to the House floor, and this is the amazing part of it: What has happened in a matter of 2 or 3 days to completely change the gentleman's mind? I have heard the old adage that minds sometimes become purified because they change so often, and I wonder if that is the case here today.

Mr. PATMAN. You can make any ap-

plication of that to yourself, to me, or to anyone else you want to, but the facts are that we have something here that we did not have when we agreed on the amendment. We have discovered that the agency involved had answered these charges in a way that they considered satisfactory, and I think that if the gentleman would read their answers, he would find them to be rather revealing, rather interesting, and probably pretty persuasive against the audit provision contained in this particular bill.

Mr. GROSS. Will the gentleman be good enough to tell me what is wrong with an audit? We would not have this situation if we had a comprehensive audit.

Mr. PATMAN. There is nothing wrong with an audit. I am for audits, as the gentleman knows, but they are already audited. That is available right now. We have those available on the desk. Not only are they audited themselves, but Price Waterhouse audits them, and they are considered to be a good reputable firm of auditors. We have the statement right here.

The statement that they are not audited is not correct, because they are audited. When I voted for the amendment and agreed to the amendment, I did not think they were so audited, and the Members on this side of the aisle did not think they were so audited.

Mr. GROSS. That is an astounding statement. I hope the gentleman will yield to the gentleman from Alabama so that he may fully respond.

Mr. PATMAN. I am going to give the gentleman time to discuss it. The gentleman from New Jersey [Mr. WIDNALL], wants time to discuss it, and then I will yield time to the gentleman from Alabama.

I yield to the gentleman from New Jersey [Mr. WIDNALL], 10 minutes for the purpose of debate and discussion.

However, if the gentleman from New Jersey would like, I will yield first to the gentleman from Alabama.

Mr. SELDEN. Mr. Speaker, I would like to have the gentleman yield to me for an observation.

Mr. PATMAN. Mr. Speaker, I yield 10 minutes to the gentleman from Alabama [Mr. SELDEN].

Mr. SELDEN. Mr. Speaker, needless to say, I also was astounded to find that the majority of the conferees from the House had deleted from this legislation an amendment, introduced by me and adopted without dissent in this body, which would, through the Secretary of the Treasury, direct the U.S. executive directors of the Inter-American Development Bank to propose the establishment by the Board of Directors of that Bank of an independent and comprehensive audit similar to the audits made by the Comptroller General of the activities of the U.S. Government.

As one who has supported the Inter-American Development Bank since its inception, I did not offer this amendment to hamper the operation of an organization that I believed has been playing a beneficial role to date in Latin America. I did so because I believed that such an audit, available to the repre-

sentatives on the Bank of all the member nations, would improve the administration and implementation of loans made by the Inter-American Development Bank. This conclusion was reached only after our colleague, the Honorable WILLIAM MAILLIARD and I visited in the field several projects funded by the Inter-American Development Bank, the administration and the implementation of which we felt could be greatly improved.

Let me refer just a moment to the House report that the distinguished gentleman from Texas referred to in his statement. Representative MAILLIARD and I did make a report on findings dealing with the Social Progress Trust Fund, and we did print the report as a House document. However, the Inter-American Development Bank did not have this report until it was printed.

The particular projects that we referred to in this report had been funded through the Social Progress Trust Fund. This fund is 100-percent U.S. contributed, and not a dime was put into this particular fund by any other country. However, it was administered through an agreement with the Inter-American Development Bank.

In an effort to ascertain additional information on those particular projects, we recommended in our report on our return that the Social Progress Trust Fund be audited by the U.S. General Accounting Office. This was a fund contributed 100 percent by the United States. When the General Accounting Office went to the IDB to get this information, they were politely but firmly refused access to any of the books or records of the Bank.

Recognizing that legislation making additional U.S. funds contingent on an independent review by the General Accounting Office of that Bank's operation could perhaps cause serious misunderstanding and unnecessary resentment among the Bank's other members, the amendment that I offered—and I worked this amendment out in consultation with the Treasury Department—is designed to accomplish such a review without these complications. This amendment does not provide for an independent audit by the GAO. It is a directive to our Executive Director to call for a multilateral audit that would be made available to the representatives of all of the member nations.

My amendment was offered, however, only after I had been assured by our Executive Director of the IDB that he would diligently seek to have established the proposed method of obtaining an objective and independent review and appraisal of the effectiveness of the implementation and administration of the loans made by the Bank, not only for the benefit of the United States, but for the benefit of other member countries as well.

Mr. Speaker, there is nothing, in my opinion, that contributes more to the laxity of the administration of funds of others, or to mistaken suspicions regarding such administration, than the knowledge that owners do not have full information concerning the quality of the administration.



And, because this proposal includes an analysis of the efficiency of loan implementation—and that information is not available in the Price Waterhouse report now available through the Bank—it seems to me that it would be of vital importance to those countries who are borrowing and who are going to have to repay.

Consequently, Mr. Speaker, it is difficult for me to understand why a majority of the House conferees agreed to delete an amendment that had been unanimously adopted in the House of Representatives and, while not adopted by the Senate, discussed only favorably on the Senate floor. It is even more difficult for me to understand why a representative of the Inter-American Development Bank, an international organization, would come to Capitol Hill and actively lobby against the suggested review of the IDB's operations which, if adopted, could only prove helpful in the efficient operation of this institution's activities.

But, whatever the reasons, I think it important that the House of Representatives stand firm in its position by instructing the conferees to insist on the provision dealing with an audit. Therefore, at the proper time, I intend to offer a motion to recommit the conference report with instructions to the managers on the part of the House to insist on retaining this particular section of the House-passed bill.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. SELDEN. I am happy to yield to the gentleman from Virginia.

Mr. HARDY. I should like to compliment the gentleman for his position. It is absolutely sound. The House ought not permit a continuation of this program unless there is some provision for an audit.

Mr. SELDEN. I thank the gentleman from Virginia.

Mr. ANDREWS of Alabama. Mr. Speaker, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Alabama.

Mr. ANDREWS of Alabama. I want to commend my colleague from Alabama for the fight he has made to try to insure that money we appropriate is honestly spent. For the life of me I cannot understand why any recipient of our money would be opposed to having officials of our Government audit the expenditure of those moneys, unless there is a "dead cat" on the line somewhere.

Mr. SELDEN. I thank my colleague from Alabama.

Mr. OTTINGER. Mr. Speaker, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from New York.

Mr. OTTINGER. I want to congratulate the gentleman on the fine work he has done. I believe the provision, added at his instance, is an important safeguard for the funds in this program. The bank ought to willingly adopt the kind of audit provided.

I strongly support the gentleman's position.

Mr. SELDEN. I thank the gentleman.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Florida.

Mr. ROGERS of Florida. I also want to commend the gentleman for alerting the House to this situation and what is happening. The House has taken a position on this requirement for an accounting. It is a logical position.

I cannot understand why anyone would oppose getting an audit to see how taxpayers' dollars are spent. Certainly the gentleman is correct in his position.

I feel quite sure that the House will sustain his position in a positive way on any vote on this matter. I congratulate the gentleman.

Mr. SELDEN. I thank my colleague from Florida.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Florida.

Mr. FASCELL. I want to join in support of the gentleman's position, because, as the gentleman has pointed out—and I believe it needs to be reemphasized—the precedent here is that the U.S. Government has set up a trust fund by contract, which is 100 percent funded by the U.S. Government, and no provision was made in the agreement for comprehensive audit by the settlor of the trustee's actions.

Furthermore, even though the Bank's other operations are properly covered by an independent audit, what possible harm could there be in the Congress through the language in question, directing the U.S. representative in that Bank to seek to have the criteria for the Bank's audit changed so that it becomes a comprehensive audit rather than a regular financial audit? I see no harm. I do see benefit, since a comprehensive audit would be more meaningful to the member nations. Particularly the United States and the General Accounting Office.

It is inconceivable to me that any trust agreement entered into by the United States would not contain a provision that the trustor would have a right to audit the trustee's actions. This is separate and apart from the Bank's other operations. Therefore, I want to compliment the gentleman from Alabama for calling this to the attention of the Congress.

Mr. SELDEN. Let me say to the gentleman that this is true so far as the Social Progress Trust Fund is concerned. However, this amendment applies to the Bank's entire operation.

Mr. FASCELL. I understand that, but the principal thing is that the Social Progress Trust Fund, an integral part of the Bank's operation, is not covered by an independent comprehensive audit, and while the other operations of the Bank are covered by an independent audit, they are not covered by a comprehensive audit.

Mr. SELDEN. I thank the gentleman. Now, Mr. Speaker, I yield to the gentleman from Georgia [Mr. FLYNT].

Mr. FLYNT. Mr. Speaker, I would like to commend the gentleman from Alabama for the very effective and articulate manner in which he has again explained to the House the purpose of the amendment which the House of Representatives adopted, so far as I know, without any

dissenting action and without any dissenting thoughts at the time that this bill was before us. I hope that the House will sustain its previous action and support the motion which will be offered by the gentleman from Alabama.

Mr. SELDEN. I thank the gentleman from Georgia.

Mr. SELDEN. Mr. Speaker, I now yield to my colleague from California [Mr. MAILLIARD].

Mr. MAILLIARD. Mr. Speaker, I thank the gentleman from Alabama for yielding to me.

I have heard conversations around the Chamber and I think the Record should be straight so nobody will misunderstand the situation. The House adopted in the foreign aid bill an amendment which I introduced which went to the right of the United States to audit funds, where the funds are solely contributed by the United States. That bill is in conference. I have every confidence when we bring it out of conference that amendment will be in it still.

However, there seem to be some people on the floor who think this has accomplished the same purpose as the amendment that the gentleman from Alabama offered. I want to assure them it does not. My amendment applies to all funds of any bank or any international organization where funds are wholly contributed by the United States, but it does not go to the point of the gentleman's amendment.

Mr. PATMAN. Mr. Speaker, I yield 10 minutes to the gentleman from New Jersey [Mr. WIDNALL], for the purpose of debate.

Mr. WIDNALL. Mr. Speaker, I would like to defend the position of the conferees with regard to the amendment to the House-passed bill by the gentleman from Alabama [Mr. SELDEN].

When H.R. 9547 was before the House, the amendment was offered from the floor and accepted by the floor manager of the bill. There were no hearings on this auditing provision although there was ample opportunity during our committee hearings for the gentleman from Alabama to testify.

As a matter of fact, Mr. Speaker, I do not know of any serious charges that have been made against the Inter-American Development Bank that would warrant adoption of such an auditing provision.

Mr. Speaker, the choice for the House seems to me to be clear: Either we continue to encourage the channeling of foreign aid assistance through multilateral lending institutions or we revert to the traditional forms of bilateral giveaway programs. The advantages of the former over the latter are clear and indisputable. It is a choice between loans and grants; between sharing the burden with others and carrying the full burden ourselves.

The language of the amendment deleted in conference called for a GAO-type audit of the Inter-American Development Bank by an independent firm or group on the basis of standards set by the GAO and with the analysis and findings to be reviewed by the GAO, which, in turn, would be required to transmit its comments to the Congress.

The proposal involves a fundamental change in U.S. relations with international financial institutions starting with the Inter-American Development Bank. The effect of the amendment in substance would be to equate the multilateral assistance program to substantially the same standard of GAO and congressional surveillance of operations as for bilateral assistance. It is difficult to say whether the international aspect of multilateral assistance could be maintained if the innermost records of an international institution would have to be laid bare to such scrutiny.

We should all remember that the Inter-American Development Bank is a banking institution and the information which is generally obtained as to their financial status, administrative capacity, and so forth, is given and prepared on a confidential basis. The general release to the public of such information would make it extremely difficult to carry on normal financial and banking affairs. Far more important for our consideration, however, is the fact that such a proposal might require the consent of all the other member governments, every one of whom could demand equal auditing controls.

Moreover, we should remember that the Inter-American Development Bank currently is being audited by the well-known firm of Price Waterhouse & Co., and to the best of my knowledge there have been no criticisms made of their audits. Had the gentleman from Alabama directed that such GAO audits be conducted with regard to just the Social Progress Trust Fund wherein the United States was the sole contributor, I would not be voicing my objections.

We should also keep in mind that the IDB has been encouraged by our Government to raise lending capital through private bond issues both here in the United States as well as abroad. Since its inception, the IDB has raised through private bond issues more than \$437 million. To the extent that the IDB can raise capital through such issues, it relieves the Bank's need for appropriated funds from member governments—especially the United States. Moreover, the IDB has been successful in selling issues in Switzerland, Italy, Great Britain, and Germany, thereby further establishing development capital markets in other countries at a time when raising loan funds in this manner can relieve the need for doing so in our own tight money market.

The Bank's prospectus of January 17, 1967, in connection with its most recent \$50 million private bond issue includes a statement by Price Waterhouse & Co., which states:

Our examination of these statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such auditing procedures as we considered necessary.

In the private bond markets the IDB has a triple A rating. In my opinion, the test of the private marketplace is by far the most rigid and a far more accurate appraisal than that which would result from any form of auditing. If the House,

this afternoon, decides that the Bank needs to be audited by GAO, the reaction in the private market will be that the House of Representatives has voted "no confidence" in the internal management of the Bank. This could seriously affect its ability to raise capital through private bond issues.

Furthermore, it seems curious to me that such an auditing requirement is being asked for an international lending institution against which no charges of misuse of funds have been leveled. During the House debate in July, the gentleman from Alabama referred to the report of the special study mission of his subcommittee to Latin America as being the primary reason for asking for the GAO audit. That report, No. 219 of the 90th Congress, was coauthored by the gentleman from California [Mr. MAILLIARD].

I have read that report with interest. The gentleman from Alabama's main complaint, on page 41 of that report, was that the Social Progress Trust Fund assigned to the IDB has not been totally disbursed. The report went on to cite several instances where project approvals have been delayed and where fund disbursements have also been delayed. The report also cites several instances where such delays have been attributed to a lack or absence of IDB project personnel. In another instance, the report is critical of the Bank because a \$1.5 million loan for advanced education was not moving rapidly because the required conditions by the Bank had not been met.

With all due respect, it seems to me that the report was highly critical of the IDB for not spending money fast enough and for not creating a vast administrative bureaucracy in the image of AID. Let us think about this for a moment. If AID were still administering the Social Progress Trust Fund, that Fund not only would have been fully disbursed by this time but AID would have been back up here several more times requesting additional hundreds of millions of dollars. Not only that, AID would have project officers and their dependents scurrying all over the landscape of Latin America trying to dig up new projects to justify additional giveaway appropriations.

To the charge that IDB has rigid standards and conditions precedent to development loans, the Bank pleads guilty. To the charge that the IDB has been conservative in its administration and spending of the funds in the Social Progress Trust Fund, the Bank also pleads guilty. I, for one, am pleased with this part of the Bank's record. I hesitate to say this, Mr. Speaker, but if I were given a choice between AID and IDB as administering development loan assistance in Latin America, I would have no hesitation whatsoever in preferring the Inter-American Bank. It may have fewer employees, but those that they do have, as Meredith Willson wrote in the lyrics of "The Music Man," "really know the territory."

Insofar as internal auditing procedures are concerned, it is normal practice with the IDB for the Controller of Operations to report directly to the Executive Vice President of the Bank on the results of

audits of the type normally performed by the GAO. Furthermore, before the IDB makes a loan, the prospective borrower must submit to a thorough audit by a private auditing body of high professional caliber. During the course of a project loan, the IDB insists upon an annual audit of the borrower plus an annual audit of the project itself.

With respect to those loans made to government borrowers supervising development projects, the IDB accepts that government's audit only if it is satisfied that government borrower meets rigid auditing standards. Many government borrowers in Latin America do not meet these rigid standards and in those cases—primarily very underdeveloped countries with a short history of internal auditing procedures—they must submit to a private audit. In every instance, these audit requirements are the first condition precedent to disbursement of a loan. Hence, in many cases, a delay in disbursement, such as those cited in the gentleman from Alabama's report.

We should also be reminded of the fact that, under existing procedures, the U.S. Executive Director to the IDB can, upon request, make available to Members of Congress all IDB loan reports. If requested to do so, there is no reason why the GAO could not review these reports. Such a procedure effectively would create the conditions for what is normally called an end-use review. The Inter-American Development Bank has no objection to such an end-use review of its loan disbursements.

Finally, the question logically arises whether the Selden amendment duplicates an amendment to the pending Foreign Assistance Act of 1967 which was adopted in committee and is currently in conference. That amendment, authored by the gentleman from California [Mr. MAILLIARD], was section 301(d) of H.R. 12048. Let me read to you the exact language of that amendment:

In any case in which a fund established solely by United States contributions under this or any other Act is administered by an international organization under the terms of an agreement between the United States and such international organization, such agreement shall provide that the Comptroller General of the United States shall conduct such audits as are necessary to assure that such fund is administered in accordance with such agreement. The President shall take such steps as may be necessary to modify any existing agreement entered into before the date of enactment of this subsection to conform to the requirements of the preceding sentence.

It seems clear that section 301(d) makes unnecessary the Selden amendment to the Inter-American Development Bank Act. Indeed, the amendment to the Foreign Assistance Act goes much farther than the Selden amendment in that there is absolutely no question that the GAO itself will conduct the required audits. I am advised there is every indication that the Senate will accept the House amendment to the Foreign Assistance Act and that this will become law.

Mr. Speaker, I am sure nearly everyone here in the House, given the choice, prefers multilateral lending institutions to outright giveaway foreign aid programs. The advantages of multilateral-



ism are manifest and obvious. In exchange for sharing the burden with other contributor countries, on the other hand, we all must be willing to accept a certain diminution in control of day-to-day operations. That diminution in control, however, rests firmly on a foundation of trust—trust that is implicit in any banking operation. When that trust is violated, we should expect and indeed demand corrective action. In the absence of such violation of trust, however, it seems to me that we would be making a grave mistake to take any precipitous action that would in any way discourage both the cooperation and contributions from those countries who are willing to share at least some of the burden of economic development assistance through multilateral lending institutions.

At the very minimum, before making such a drastic change, we should hold hearings at which time our committee would have an opportunity to question both the U.S. Executive Director to the Bank as well as those responsible for conducting the independent private audits arranged for by the Bank.

Mr. SELDEN. Mr. Speaker, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman.

Mr. SELDEN. There are several points that I would like to comment on if the gentleman will give me a few moments.

First, I am sure the gentleman from New Jersey [Mr. WIDNALL] does not want to leave the impression that the amendment in question will provide a GAO audit of the Inter-American Development Bank.

This amendment provides that our executive director propose an audit by the Bank itself through an independent firm, a comprehensive audit which is not available at this time. That audit would then be made available to the directors from the member nations, and, of course, subsequently reviewed by Congress and the GAO, as it should be. But it would not be a GAO audit of the Inter-American Development Bank.

Second, Price, Waterhouse does audit the books of this organization every year, but it performs a normal functionary audit that is generally associated with what it referred to as a test function; that is, they express an opinion on the fairness of the financial statement.

The SPEAKER. The time of the gentleman has expired.

Mr. PATMAN. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. SELDEN. If the gentleman will yield further, the present Price, Waterhouse audit does not provide the type audit that is necessary for us to determine whether or not the loans being made are achieving their intended purpose.

All that the audit that is proposed by this amendment would do would be to make such information available to the representatives of the member nations.

Third, I would like to point out, so far as our report on the social purpose trust funds is concerned, that the point the gentleman from California [Mr. MAILLIARD] and I attempted to make and there were examples in our report in this connection was that there seemed to be

a lack of followup and control in connection with these particular social purpose trust fund loans.

Consequently, we requested the GAO to determine whether or not we could get an audit. The GAO was unable to do so.

Finally, the amendment of Mr. MAILLIARD to the foreign aid bill applies only to the social progress trust fund of the Inter-American Development Bank and does not affect the other operations of that particular Bank.

I felt that those points should be made clear, and I thank the gentleman for yielding.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman.

Mr. HALL. I am thoroughly confused on the gentleman's position. I appreciate the gentleman yielding to me. But in order to reorient the House, I have before me a copy of his letter dated July 26 this year when we considered H.R. 9547.

I also have the CONGRESSIONAL RECORD, pages 20220-20221, of that date in which the gentleman decided not to offer the motion to recommit but, of course, another motion was included in the motion to recommit than the one announced by the gentleman from New Jersey. Now, having signing the conference report, and having made this statement here, he says he wants to have complete and adequate hearings.

Yet, the argument is 51 days after the amendment was accepted by both the majority and minority of the House. My question is, Where do you have an explanation for the change in position of the leadership, and the gentleman from New Jersey, the ranking minority member of the committee, if indeed we should not support the Selden amendment?

The SPEAKER pro tempore (Mr. ALBERT). The time of the gentleman from New Jersey [Mr. WIDNALL] has again expired.

Mr. PATMAN. Mr. Speaker, I yield 1 additional minute to the gentleman.

Mr. HALL. Mr. Speaker, if the gentleman will yield further, I have reviewed in complete detail all of this, and what has been issued on the subject, and listened to the statement of the gentleman in his opening remarks in consideration of this bill in July, and now today. I certainly having read in detail the conference report, and I understand the give and take that has eventuated there, I have read the gentleman's letter which was signed and sent, I presume, to all the Members of the House.

I understand the function of the committee, the Rules of the House, and the function of the managers on the part of the House in conference of the two bodies; but why could we not have a simple audit in this area of the U.S. portion of participation in this fund and, secondly, is the gentleman satisfied to reverse his announced position by the underwriting by the Export-Import Bank working with the Department of Defense and the Department of Commerce for sales of arms overseas, which was the point of your letter originally?

Mr. WIDNALL. I think the gentleman

is confusing two bills. This has nothing to do with the Export-Import Bank and the underwriting of arms through the guarantee of the Defense Department.

At the time I wrote the letter to the Members of the House, I was considering the motion to recommit, which I later reconsidered because I felt it would be misunderstood by the House. I was trying to assert pressure by holding up that legislation to direct attention to what the administration was doing through the Export-Import Bank. It was proven the Inter-American Bank had nothing to do with any of those loans.

Mr. HALL. The gentleman's letter states and I quote:

H.R. 9547 is to be considered today on the floor of the House.

Mr. WIDNALL. And the purpose was to hold up the legislation to bring attention to the fact that the administration through the Defense Department and using the Export-Import Bank was lending hundreds of millions of dollars for arms traffic.

Mr. HALL. Was the basis for the opinion change the result of the letter from Secretary Barr, the new foreign aid authorization section pertinent, or was it just collusion with the administration for the usual sweetening technique to pass questionable legislation?

Mr. WIDNALL. That had nothing to do with the argument here as to the GAO audit. It was not concerned with that.

Mr. HALL. No; but it has to do with the recommitment of the conference report or the passage of the bill, which, incidentally, I voted against anyway.

Mr. WIDNALL. We are not now arguing the amount of money. The point of argument is over a GAO audit, as to whether or not it is needed, as to whether or not it is proper when we are in a multilateral organization where we make a contribution of about 40 percent and other countries make a contribution of 60 percent, and we insist upon a GAO audit, a Government audit by this country, which could lead to government audits by every other country involved in the Bank—and it is a banking operation.

Mr. HALL. I understand that, and I understand it is a revolving fund, but that is \$900 million out of \$1,243,000,000, which is certainly more than 40 percent participation in this revolving fund, and I think we have a right to have an audit.

The SPEAKER pro tempore (Mr. ALBERT). The time of the gentleman from New Jersey has expired.

Mr. PATMAN. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. ASHLEY].

The SPEAKER pro tempore. The gentleman from Ohio is recognized for 5 minutes.

Mr. ASHLEY. Mr. Speaker, I concur with what has been said by the distinguished chairman of the Committee on Banking and Currency and the minority leader of that committee. I take the position that the House conferees acted appropriately in the conference with the other body.

There is really no issue, as I understand it, with respect to the actual prac-

tice of the Inter-American Development Bank. That is not the point. The point is that the Congress does have an oversight function. This essentially rests with the Committee on Banking and Currency. The question, it seems to me, is whether the type of audit that is sought is necessary for the exercise of the oversight function by the appropriate congressional committee, and I find in all truth, if I may say so, that it is not necessary, that the information that the additional audit would produce is already available.

Let us look at the structure of the Bank first, for just a moment. It is not as if we are talking about an organization that is without controls. The Inter-American Development Bank is structured on the basis of control in three areas.

One, preventive and prelending controls under the coordination of a loan officer.

Two, surveillance and administrative controls under the loan administration division—and this has been separated from the loan division in part to prevent any possible conflict of interest.

Three, financial, audit, and evaluation controls.

We have only touched on the third; namely, the audit by the internationally known firm of Price Waterhouse. It has been said that with respect to the audit of this concern, that it does not go far enough. I would respond by saying this: There is an annual examination, of course, of the financial condition and operating results of the Inter-American Development Bank, and the examination is designed to give the Board of Executive Directors and the member countries represented assurances regarding overall management of the Bank's activities. The audit includes tests of all the different types of bank transactions, including disbursements, collection, interest, contracts, guarantees, maintenance of value, letters of credit, and, most importantly, loans. They also obtain direct confirmation from the borrowers as to the validity, terms, and amount of each loan receivable. They always reveal all aspects of the internal control in the Bank, including, of course, the internal auditor, and make improvements if deemed necessary.

They usually spend 2 or 3 months in the Bank, starting in August, and 2 or 3 months in the Bank at the yearend.

The report is presented at the Board of Governors' meeting. That report, comprehensive as it obviously is, is available to the appropriate committees of the House and the Senate. We are not devoid of the opportunity to exercise our oversight function for lack of data, for lack of information. If we want to spend additional sums of money to produce exactly the same information that is available, of course, we can do that. But it is not sensible, it is not necessary, it is not in the public interest, and there is no more protection that is generated out of such an audit than is already available with the information we have.

Mr. MIZE. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Kansas.

Mr. MIZE. Mr. Speaker, if we were to insist on this additional type audit that the gentleman from Alabama [Mr.

SELDEN] is proposing for the Inter-American Development Bank, would it not be logical that we would have to go ahead and insist on the same thing for the World Bank, for the Asian Development Bank, and for the International Development Association?

Mr. ASHLEY. Mr. Speaker, I think the gentleman makes a very good point. It does seem to me we tend to overlook the fact that we are concerned here with a multinational institution, just as the World Bank is a multinational institution. Yes, the participating countries should be protected. The point I am trying to make is that this participating country is protected, and so are the others protected.

Mr. PATMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. MIZE].

Mr. MIZE. Mr. Speaker, my question has been answered.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. MIZE. Mr. Speaker, I yield to the gentleman from Michigan [Mr. BROWN].

Mr. BROWN of Michigan. Mr. Speaker, I would like to address a question to the gentleman from Ohio [Mr. ASHLEY]. If we should proceed to have these banks audited, could not every other country make the same request with respect to those banks which involve multilateral financing arrangements?

Mr. ASHLEY. The gentleman is absolutely correct.

Mr. BROWN of Michigan. Then, Mr. Speaker, it seems to me, if the Soviet-bloc nations should become involved in one of these banks they could demand a similar audit in their behalf.

Mr. ASHLEY. Yes, and, naturally, it is destructive of the very type activity we are trying to generate through the multinational institution.

Mr. SELDEN. Mr. Speaker, will the gentleman yield?

Mr. MIZE. I yield to the gentleman from Alabama.

Mr. SELDEN. Mr. Speaker, of course, this amendment makes an argument for such a procedure in other banks, but this procedure allows the Bank itself to provide the information for all members. There is no reason why all members participating in a banking institution should not know what is being done with the money. That is point No. 1.

Point No. 2. I have discussed this matter with the Comptroller General of the United States, and he advises me that neither the Congress nor the General Accounting Office can ascertain from present published reports whether these IDB loans are achieving their intended purposes.

He advises me also that the General Accounting Office has carefully considered this amendment, that they have contacted Price Waterhouse, who presently audits the books of the Inter-American Development Bank, and that in his opinion such an audit as proposed by this amendment would be feasible and would achieve the amendment's basic objectives.

Mr. MIZE. Such an audit would be to try to find out whether or not the loans are achieving the objectives for which they were made. Such an audit

would still be strictly a matter of opinion. This kind of audit we do not need.

An audit of the mechanics and operations of the Bank is the kind of audit we certainly want and have.

Whether or not the loans are achieving the objective, again I say, would be a matter of opinion. We do not need an auditor for that.

Mr. HARVEY. Mr. Speaker, will the gentleman yield?

Mr. MIZE. I yield to the gentleman from Michigan.

Mr. HARVEY. I believe the gentleman from Kansas has put his finger on the important element we are talking about today; that is, focusing attention on these other banks and making a distinction as between the banking operations which exist in the World Bank, the Inter-American Development Bank, the International Development Association and the other operations, such as the Social Progress Trust Fund where we contribute 100 percent. There is a vast difference.

The SPEAKER pro tempore (Mr. ALBERT). The time of the gentleman from Kansas has expired.

Mr. PATMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. REUSS].

Mr. REUSS. Mr. Speaker, I have been in on the so-called Selden amendment from the beginning.

Although the gentleman from Alabama [Mr. SELDEN] did not have an opportunity to present his amendment to the House Committee on Banking and Currency during the hearings, he saw Members on both sides of the aisle early in the game. He behaved throughout in an absolutely honorable and aboveboard manner.

Incidentally, I fully understand the gentleman's reasons for bringing the amendment up. He felt initially that the Social Progress Trust Fund, a 100-percent American contribution, should be audited. His actual amendment was broader, and would cover both windows.

I supported the Selden amendment on the floor here during my subsidiary management of the Inter-American Development Bank bill and also, the House having agreed to the bill, I vigorously supported it—and I can speak for myself—in conference.

The fact is that the majority of the conferees from the other body were adamant in their feeling against the amendment, so it is not in the conference report.

I point out that there is in the conference report on the foreign aid bill a provision which I believe will stay in—and I shall certainly support it—which contains the substance, which contains 95 percent of the Selden amendment, in that that foreign aid conference report amendment applies to matters like the Social Progress Trust Fund.

Having said all of this, I shall vote to protect and preserve the conference report. I hope Members will join in protecting it. I shall have to oppose the motion of my friend the gentleman from Alabama for the reason that the Senate is adamant. If we send this back to conference, I am not sure we can ever produce a conference report on this very



important and valuable bill. Particularly I am sure we cannot produce one in the next 2 or 3 days.

It so happens that there will meet in Rio de Janeiro, in Brazil, this weekend, the members of the International Bank for Reconstruction and Development, for the consideration of development in the countries of the world. I believe it is very important that we not have to go to that meeting to say that our Congress has not seen fit up to now to validate the Inter-American Development Bank conference report.

I hope the motion will not succeed.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. PATMAN. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. HALPERN].

Mr. HALPERN. Mr. Speaker, I agree with the implications of such an amendment in connection with our participation in other international lending agencies.

Commendable as the intentions behind the audit provided by the House-approved Selden amendment may be, many of us who have been close to the operations of the Inter-American Development Bank are convinced that such an audit of this multilateral agency is entirely unnecessary. The present Price-Waterhouse auditing and reports have been most exacting, and I do not believe that any of us can take issue with the ability and integrity of this world-renowned accounting organization.

Further, and of utmost importance, is the fact that American interests and participation in the Bank are thoroughly protected in this respect, being covered fully in a provision of the Foreign Assistance Act which recently passed this House. That provision clearly calls for a U.S. audit of the Social Progress Trust Fund of the IDB, since the United States is the sole contributor to this Fund, although the SPTF is administered under the auspices of the Inter-American Development Bank. I have the utmost faith that the provisions of this act will be carried out, and I strongly believe that the Foreign Assistance Act is where such a provision belongs, rather than in this authorization act, where we are a party to an international agreement.

I trust that the report will be accepted and that the gentleman from Alabama's motion will be rejected.

Mr. PATMAN. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. HARVEY].

Mr. HARVEY. Mr. Speaker, I thank the gentleman for yielding. I just wanted to conclude what I started to say earlier.

There is a vast difference between the Social Progress Trust Fund to which the United States contributes 100 percent and the rest of the operations of the Inter-American Development Bank. I am in wholehearted agreement with the provisions of the foreign aid bill, which permits an audit where we contribute 100 percent of the funds. But the same reasoning does not apply to other banking institutions where we are only one participant. One example of this is the Asian Development Bank where the

United States is about to contribute \$200 million and the Soviet Union is a mere observer. What if the Soviet Union decides to join this bank, but for just a nominal figure? Should they have the same right of sending in their equivalent of the General Accounting Office and making an audit? I think that is not right. These banking organizations are subject to a private audit by a nationally known firm of accountants. They are well run.

And let me remind my colleagues on this side of the aisle that the Inter-American Development Bank was the product of the Eisenhower administration. It started then. Its operations in the past are something that we can be very proud of, and I as a member of the committee supported it wholeheartedly then and do now.

Mr. PATMAN. Mr. Speaker, I believe this bank is operating well. I know every Member of Congress has been treated courteously. Their questions asked of the officials of this Bank have been answered promptly. I do not know of any complaints that any Member ever lodged against the Bank.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. GROSS. How in the world could you have possibly accepted the amendment to this bill when it was originally before the House and make the statement you do now?

Mr. PATMAN. We accepted it under circumstances that do not prevail now. The gentleman from Alabama asked for consideration of this amendment and received it. We were all sympathetic to it. I believe in audits. We believe in audits. We wanted to agree with him. But when we go to the other body, it is something else. That is the reason why we have a free conference. We are not committed when we go there. We can vote any way we want to. Being a free conference, when an argument is presented by the other side in an adamant way—and they were adamant on this and would not yield—we had to give in or else we would not have any kind of a report. In order to have a report, we yielded. All members of the conference committee, both of the House and the Senate, who were there—and all but one were—signed that report. The gentleman from Alabama cannot feel that he has not received consideration. He has received a lot of consideration. On the floor of this House he received sympathetic consideration when we accepted the amendment. But when we go to the other body different situations prevail which were not pointed out to us. Necessarily we had to change our mind on this particular bill and amendment. The gentleman has had one chance. He has had fair consideration, when the House in the free conference discussed it. If we get consideration one time in the Congress—one time—I think we are pretty lucky. Why should we ask for consideration twice?

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, the gentleman from Alabama [Mr. SELDEN] is entitled to something more than sympathy.

Mr. Speaker, the gentleman from Texas speaks of a free conference. Yet the gentleman has repeated over and over and over again, and so did the gentleman from Wisconsin [Mr. REUSS], the fact that the Members of the other body were adamant; that they could do nothing with them. How free is such a conference?

Mr. PATMAN. Well, they were completely adamant. The gentleman from Iowa has answered his own question. All laws—all major laws—are the result of compromise.

Mr. GROSS. Oh, sure.

Mr. PATMAN. If there is no compromise, there is no law. You know now that in this great system under which the United States of America operates, compromise and agreement has resulted in every major law being passed. Remember this—and I want the gentleman from Iowa to hear this; I want the gentleman from Iowa to hear this; I want the gentleman from Iowa to hear this, please—that every major law that is passed by the U.S. Congress represents a sacrifice of few or a compromise of opinion on the part of practically every Member of both bodies of the Congress of the United States.

Mr. GROSS. Well, why must the other body be adamant? The fact that the other body has been adamant does not represent a compromise.

Mr. PATMAN. Mr. Speaker, I ask for a vote on the conference report.

Mr. SELDEN. Mr. Speaker, will the gentleman yield to me?

Mr. PATMAN. No, Mr. Speaker. It is time for a vote.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

#### MOTION TO RECOMMIT

Mr. SELDEN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore (Mr. ALBERT). The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SELDEN moves to recommit the conference report on the bill H.R. 9547 to the committee of conference with instructions to the managers on the part of the House to insist on retaining section 1 of the House passed bill.

Mr. PATMAN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Mr. SELDEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 274, nays 126, not voting 32, as follows:

[Roll No. 264]

YEAS—274

Abbitt	Andrews, Ala.	Bates
Abernethy	Andrews,	Battin
Adair	N. Dak.	Bell
Addabbo	Arends	Bennett
Anderson, Ill.	Ashbrook	Berry
Anderson, Tenn.	Ashmore	Betts
	Ayres	Bevill

Blester	Hammer-	Poage
Blanton	schmidt	Poff
Boiton	Hansen, Idaho	Pollock
Bow	Hansen, Wash.	Price, Tex.
Bray	Hardy	Pryor
Brotzman	Harrison	Purcell
Brown, Ohio	Harsha	Quile
Broyhill, N.C.	Hathaway	Quillen
Broyhill, Va.	Hechler, W. Va.	Railsback
Buchanan	Heckler, Mass.	Randall
Burke, Fla.	Henderson	Reid, Ill.
Burleson	Herlong	Reifel
Burton, Calif.	Hicks	Reinecke
Burton, Utah	Horton	Rhodes, Ariz.
Bush	Hosmer	Rhodes
Button	Hull	Rieves
Byrnes, Wis.	Hungate	Roberts
Cabell	Hunt	Robison
Cahill	Hutchinson	Rogers, Colo.
Carter	Ichord	Rogers, Fla.
Casey	Jacobs	Roth
Cederberg	Jarman	Roubesh
Chamberlain	Jonas	Roush
Clancy	Jones, Ala.	Rumsfeld
Clausen,	Jones, Mo.	Ruppe
Don H.	Jones, N.C.	Sandman
Clawson, Del.	Kazen	Satterfield
Cleveland	Kee	Schadeberg
Collier	Keith	Scherle
Colmer	Kelly	Schneebeli
Conable	King, N.Y.	Schweiker
Cowger	Kleppe	Schwengel
Cramer	Kornegay	Scott
Cunningham	Kuykendall	Selden
Curtis	Kyl	Shriver
Davis, Ga.	Kyros	Sikes
Davis, Wis.	Laird	Skubitz
De la Garza	Landrum	Slack
Delaney	Langen	Smith, Calif.
Dellenback	Latta	Smith, N.Y.
Denney	Lennon	Smith, Okla.
Derwinski	Lipscomb	Snyder
Devine	Long, La.	Springer
Dickinson	Long, Md.	Stafford
Dole	Lukens	Staggers
Dowdy	McClory	Steed
Downing	McClure	Steiger, Ariz.
Duncan	McDade	Steiger, Wis.
Edmondson	McDonald,	Stephens
Edwards, Ala.	Mich.	Stratton
Edwards, La.	McMillan	Stubblefield
Erlenborn	MacGregor	Stuckey
Esch	Machen	Taft
Eshleman	Mahon	Talcott
Everett	Mailliard	Taylor
Evins, Tenn.	Marsh	Teague, Calif.
Fallon	Martin	Teague, Tex.
Fascell	Mathias, Calif.	Thompson, Ga.
Findley	Mathias, Md.	Thomson, Wis.
Fisher	May	Tuck
Flynt	Mayne	Vander Jagt
Foley	Meeds	Vanik
Ford, Gerald R.	Meskill	Vigorito
Frelinghuysen	Michel	Waggonner
Friedel	Miller, Ohio	Walker
Fulton, Pa.	Mills	Wampler
Fulton, Tenn.	Minshall	Watkins
Fuqua	Monagan	Watson
Gallinanakis	Montgomery	Watts
Gardner	Moore	Whalley
Gathings	Morris, N. Mex.	White
Gettys	Morse, Mass.	Whitener
Gibbons	Morton	Whitten
Goodell	Mosher	Wiggins
Goodling	Myers	Williams, Miss.
Green, Oreg.	Natcher	Williams, Pa.
Gross	Nelsen	Wilson, Bob
Grover	Nichols	Winn
Gubser	O'Konski	Wright
Gude	O'Neal, Ga.	Wylder
Gurney	Ottlinger	Wyllie
Hagan	Passman	Wyman
Haley	Pelly	Yates
Hall	Pettis	Zablocki
Halleck	Pike	Zion
Hamilton	Pirnie	Zwack

## NAYS—126

Albert	Carey	Dwyer
Annunzio	Celler	Eckhardt
Ashley	Clark	Edwards, Calif.
Barrett	Cohelan	Eilberg
Bingham	Conyers	Evans, Colo.
Boggs	Corbett	Farbstein
Boland	Culver	Fino
Bolling	Daddario	Flood
Brademas	Daniels	Ford
Brasco	Dawson	William D.
Brook	Dent	Fraser
Brooks	Diggs	Gallagher
Brown, Calif.	Dingell	Glaime
Brown, Mich.	Donohue	Gilbert
Burke, Mass.	Dow	Gonzalez
Byrne, Pa.	Dulski	Green, Pa.

Griffiths	Miller, Calif.	Rhodes, Pa.
Halpern	Minish	Rodino
Hanley	Mink	Ronan
Hanna	Mize	Rooney, N.Y.
Harvey	Moorhead	Rooney, Pa.
Hawkins	Morgan	Rosenthal
Helstoski	Moss	Rostenkowski
Hollifield	Multer	Roybal
Howard	Murphy, Ill.	Ryan
Irwin	Nedzi	St Germain
Joelson	Nix	St. Onge
Johnson, Calif.	O'Hara, Ill.	Saylor
Johnson, Pa.	O'Hara, Mich.	Scheuer
Karsten	Olsen	Shipley
Karth	O'Neill, Mass.	Sisk
Kastenmeier	Patman	Smith, Iowa
King, Calif.	Patten	Stanton
Kirwan	Pepper	Sullivan
Kluczynski	Perkins	Thompson, N.J.
Kupferman	Philbin	Tiernan
Lloyd	Pickle	Udall
McCarthy	Price, Ill.	Ullman
McFall	Pucinski	Waldie
Macdonald,	Rees	Whalen
Mass.	Reid, N.Y.	Widnall
Madden	Resnick	Wilson,
Matsunaga	Reuss	Charles H.

## NOT VOTING—32

Adams	Feighan	Pool
Aspinall	Fountain	Rarick
Baring	Garmatz	Tenzer
Belcher	Gray	Tunney
Blackburn	Hays	Utt
Blatnik	Hébert	Van Deerlin
Brinkley	Holland	Willis
Broomfield	Leggett	Wolf
Conte	McCulloch	Wyatt
Corman	McEwen	Young
Dorn	Murphy, N.Y.	

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

Mr. Rarick with Mr. Belcher.
Mr. Fountain with Mr. Blackburn.
Mr. Murphy of New York with Mr. Wyatt.
Mr. Hébert with Mr. Utt.
Mr. Aspinall with Mr. McEwen.
Mr. Wolf with Mr. Conte.
Mr. Tenzer with Mr. McCulloch.
Mr. Adams with Mr. Broomfield.
Mr. Blatnik with Mr. Feighan.
Mr. Holland with Mr. Leggett.
Mr. Corman with Mr. Brinkley.
Mr. Baring with Mr. Gray.
Mr. Hays with Mr. Van Deerlin.
Mr. Dorn with Mr. Tunney.
Mr. Young with Mr. Garmatz.
Mr. Willis with Mr. Pool.

Messrs. MILLER of California, WALDIE, PERKINS, O'NEILL of Massachusetts, and HANLEY changed their votes from "yea" to "nay."

Mr. ESCH changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## EXTENSION OF TEMPORARY INTEREST RATE CONTROLS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, on Tuesday, September 19, by unanimous consent, the House passed S. 1956 to extend the authority of our bank supervisors to prescribe more flexible regulation of maximum rates of interest or dividends, higher reserve requirements and open market operations in agency issues.

This legislation, as passed the other body, provides for a 2-year extension of the authority first granted by Public Law 89-597 last year. However, a committee amendment was adopted by the House today limiting the extension to 1 additional year instead of 2 additional years. I would like to explain to my colleagues of the House why your committee recommended a 1-year extension, while rejecting the 2-year extension recommended by the Treasury Department and as passed by the other body.

Had the report which was prepared to accompany the bill H.R. 12754, been printed, it would have contained the following explanation:

Your committee has reported an amendment whose effect would be to extend the rate control authority for 1 year rather than 2. This action was taken because of your committee's concern over certain disturbing problems arising in the context of keen competition for the savings dollar. Your committee felt that these problems should be given attention and investigation with a view to possible legislative solutions before the interest rate control authority is extended for more than 1 additional year.

Representations have been made that a number of banks have evaded the 4-percent ceiling on savings deposits through the use of "passbook" time deposits paying a 5-percent rate; that false and misleading advertising of consumer time deposits in possible violation of the antifraud provisions of the Securities Act of 1933 has been engaged in by a number of financial institutions; and there has been violation of the spirit of the statutory prohibition against the payment of interest on demand deposits as previously mentioned in the report of this committee to accompany H.R. 14026—House Report No. 1777, 89th Congress, second session.

## PARTNERSHIP FOR HEALTH AMENDMENTS OF 1967

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6418) to amend the Public Health Service Act to extend and expand the authorizations for grants for comprehensive health planning and services, to broaden and improve the authorization for research and demonstrations relating to the delivery of health services, to improve the performance of clinical laboratories, and to authorize cooperative activities between the Public Health Service hospitals and community facilities, and for other purposes.

The motion was agreed to.

## IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6418, with Mr. BROOKS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, it had agreed that the committee amendment in the nature



of a substitute now printed in the bill be considered as read and open for amendment at any point.

Without objection, the Clerk will again report the amendment of the gentleman from Illinois [Mr. SPRINGER] which is now pending.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER: Beginning with line 1 on page 43 strike out all down through line 4 on page 51.

Redesignate the following sections accordingly.

#### LONG-RANGE VIEW OF MILITARY PROCUREMENT

Mr. RIVERS. Mr. Chairman, I move to strike the last word.

(By unanimous consent, Mr. RIVERS was granted permission to speak out of order.)

Mr. RIVERS. Mr. Chairman, I would like to call to the attention of the Members of the House a complete long-range review of military procurement policies and procedures being undertaken within the Committee on Armed Services.

Overseeing the procurement activities of the Department of Defense is one of the most important constitutional functions assigned to our committee. The importance of this function grows as the Defense budget grows. Total military procurement is currently running at the rate of about \$45 billion a year. Department of Defense officials estimate that this represents more than 80 percent of the total Governmentwide procurement. Traditionally, we have carried out our responsibilities in regard to procurement policy through our Investigating Subcommittee. I have directed that the current review again be carried out by that subcommittee under the chairmanship of our esteemed colleague, the gentleman from Virginia, PORTER HARDY.

This subcommittee has written a proud record over the years in the procurement area and has developed great expertise in the procurement field. My great predecessor, Carl Vinson, was always deeply concerned about procurement policy and deeply proud of the work of the Investigating Subcommittee. Mr. Vinson, himself, authored some landmark legislation in this area. Our colleague, the gentleman from Louisiana [Mr. HEBERT] in his years as chairman of this subcommittee received national attention for his investigations in this field and his work literally saved hundreds of millions of dollars of taxpayers' money. Mr. HARDY is continuing in this great tradition.

Mr. HARDY's subcommittee has already been working for months. I first directed that he begin work on the study back in March, and, at that time, we arranged for the auditing and investigating staff of the General Accounting Office to support the study. For reasons that will suggest themselves, we do not always advertise our investigations well in advance. The General Accounting Office, of course, is an arm of the Congress and its staff has an expertise in procurement matters unmatched anywhere else in or out of Government.

The General Accounting Office investigators have already put in many man-hours on Mr. HARDY's study. In addition, I might point out that the GAO has 275

audit staff members assigned to the Defense procurement and contracting area and about 130 assigned to the related area of supply management. The work of these auditors will, in many instances, dovetail with the work of the Hardy subcommittee.

I am calling our study to the attention of the House at this time so that Members who encounter procurement problems with the military may present them to the subcommittee for possible inclusion in its review. I am sure that many Members of the House will have valuable suggestions for the subcommittee. There are billions and billions of the taxpayers' dollars involved in this study which I consider to be one of the most important that will be undertaken in this Congress.

I have directed that the study be broad and exhaustive and encompass a complete review of procurement regulations and procedures. In consultation with Mr. HARDY, we have determined that individual reports will be issued as various segments of the investigation are completed. The reason for this is simple, economic, commonsense. As individual procurement areas are studied, improvements may be singled out that could result in the saving of millions of dollars of Government funds. We want these identifiable improvements brought to the attention of the Congress and the Government agencies as rapidly as possible.

The first phase of the study will cover the Truth in Negotiations Act—Public Law 87-653. Extensive investigation of this phase of the study has been completed since the subcommittee's more general hearings in June and August—and a hearing has been scheduled for Monday, September 25, at which time witnesses from the General Accounting Office, the Department of Defense, and the military services will be heard.

Among other broad areas that will be covered in follow-on phases of the study are: sole source procurement, Government facilities in the hands of contractors, competitive bidding, value engineering, procurement of major weapon systems, procurement systems for small purchases, production and contract administration, procurement career programs, and small business procurement.

As you can see, Mr. Chairman, this runs the entire gamut of procurement action and control, and when the study is completed, we shall be in a position to bring to the floor whatever modifications may be needed for improving the Armed Forces Procurement Act.

Mr. HARDY expects the entire study to take from a year to 18 months, and I have asked him to submit to the full committee from time to time such proposals for new legislation as he finds are required.

Again, may I suggest to the Members of the House that they bring to the attention of the subcommittee whatever information they may have that will aid in this most vital undertaking.

PERFECTING AMENDMENT OFFERED BY MR. JARMAN

Mr. JARMAN. Mr. Chairman, I offer a perfecting amendment to section 12 of H.R. 6418.

The Clerk read as follows:

Perfecting amendment offered by Mr. JARMAN: On page 47, line 22, strike out "and".

On page 48, line 6, strike out the period and insert in lieu thereof "; and"; and immediately after line 6, insert the following:

"(E) the project is determined by the State agency designated pursuant to section 604 (a) (1) of this Act for the State in which such project is to be situated to be consistent with the State plan approved under section 604(b) of this Act and the project is approved by such State agency."

Mr. JARMAN. Mr. Chairman, in the course of this debate considerable concern has been expressed that the emergency assistance authorized in this section should not be outside the well-established procedures of the Hill-Burton State agencies.

It has been explained that there is no intention of bypassing these agencies and that two provisions of the bill guarantee that the Hill-Burton procedures will be followed in making these grants.

Yet, apparently, the doubt persists.

The amendment I am offering will do away with that doubt entirely. It will require specifically that projects follow the Hill-Burton procedures. It will require State agency approval of any proposed project.

Mr. Chairman, if this amendment is adopted there can be no further doubt or confusion. The Hill-Burton procedures will be followed.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman.

Mr. NELSEN. In the proposed amendment, in effect what you are really saying is that the dollars available under the Hill-Burton Act would be increased by the amount of the Ottinger amendment; is that not true?

Mr. JARMAN. I yield to the gentleman from New York [Mr. OTTINGER] for his comment on that.

Mr. OTTINGER. Any moneys that would be distributed would have to be in accordance with the state plan formed by the State Hill-Burton agency and would have to actually receive the approval of the Hill-Burton agency. This was my intention all along. So I am entirely in approval of this amendment and urge its adoption.

Mr. NELSEN. It would seem to me that all you would need to do is to add \$40 million to the total amount of money available under Hill-Burton. If you are going to use the State formula anyway, then why have the Ottinger amendment? This I fail to understand. It seems to me that there is a little pride of authorship creeping in here that ought to be cast aside. Maybe we should increase the amount—we certainly know the hospitals need money.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman.

Mr. WRIGHT. I would like to congratulate the gentleman from Oklahoma for offering this amendment and to associate myself with his remarks.

Mr. Chairman, I believe this is a useful amendment. Whether or not it is necessary in light of the colloquies and the debate that have heretofore taken place, it should serve to remove any doubt as to the intention of the Congress. It

should erase any question that may be lingering in the minds of the membership as to whether or not this would in effect go counter to the Hill-Burton Act. For these reasons, I think it is a useful amendment and I urge its adoption.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman.

Mr. ROGERS of Florida. I would like to say, I think if the House in its wisdom decides that it wants to add this additional money, then certainly the amendment offered by the gentleman from Oklahoma should be adopted. This, in effect, would then assure without question the fact that these moneys would go to the State agency and would be administered in accordance with the program of the Hill-Burton Act.

Mr. CAHILL. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from New Jersey.

Mr. CAHILL. I must confess that there is some confusion here. I personally indicated that I was in favor of the Ottinger amendment, but now do I understand that if the gentleman's amendment is adopted that any additional moneys provided by this bill must follow the format established by the States, according to the Hill-Burton formula?

Mr. JARMAN. Yes, we are trying to make that very clear.

Mr. CAHILL. If that is the case, then I do not see that the Ottinger proposal does anything to take care of critical areas. I supported it because in my State we are divided into approximately 12 areas. The State determines which of those areas are critical areas and only the critical area can get funds under the Hill-Burton Act.

We have individual hospitals because of the influx of elderly people who are not in a critical area but who do have an individual critical need and I assume that under the Ottinger plan an individual hospital even though it is not in a critical area could come in and get moneys to take care of that specific, individual need apart from the Hill-Burton formula. I would like to have this cleared up.

Mr. SPRINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to make it clear in reply to the gentleman from Oklahoma that you do not change the Ottinger amendment too much. A rose smells like a rose wherever you put it in the world. This is the Ottinger amendment, still trying to do the same thing—violating I think all precepts—except to try to cure one thing with reference to Hill-Burton. So you put it in and make it smell a little bit sweeter in order to get, I suppose, a few more votes for it.

But this fundamentally is bad legislation—it is hurried legislation. We will have a chance next year to take this up in the due course of things.

This is not a budgeted item. We are back here again doing certain things that the President said we should not be doing. This is granting him money that he did not request. This is an unbudgeted \$58 million. It is my under-

standing still that it is not the intent to budget this and there is no proof offered on the floor that the administration intends to budget this item.

Mr. Chairman, for this reason the amendment is a bad amendment. I want to say as far as the perfecting amendment is concerned, I am not opposed to it. If we should be so unfortunate that my amendment should be defeated, I would certainly want the kind of provision that the gentleman from Oklahoma [Mr. JARMAN] has offered here to curtail these funds to the extent of keeping them in line with Hill-Burton. But I do not want anyone to think that by adding the Jarman amendment that we are making this any better legislation. It is bad legislation from beginning to end. It is not in the public interest. It is not a budgeted item; it is something the President has not requested. So far as I can find out, the White House does not want it.

If you are ultimately going to adopt the amendment, if that is a possibility, I would rather have the Jarman proposal fastened to the end of it.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Do I correctly understand the sense of the Jarman amendment is that we would merely add \$58 million in funds to Hill-Burton that could be distributed under the Hill-Burton formula? We would add funds under this legislation for hospital assistance? Is that correct?

Mr. SPRINGER. In effect that is what we would be doing. If we transfer this to Hill-Burton, I point out that we have already put in the money for Hill-Burton. I do not think it would go any faster under Hill-Burton. It would have to go through the same formula. At least that is what my counsel advises me.

Mr. BROWN of Ohio. In effect, we would be authorizing \$58 million more, but we would not be appropriating the funds. That would have to be done under separate legislation and it is unlikely ever to be appropriated.

Mr. SPRINGER. This is merely an authorization. It does not necessarily mean that these funds would be budgeted and made available.

Mr. BROWN of Ohio. That is exactly correct.

Mr. SPRINGER. I predict that this will never see the light of day and will never be budgeted. It certainly should not be budgeted, because it is something the administration says they did not request.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Minnesota, a member of the committee.

Mr. NELSEN. I thank the gentleman for yielding. As I listened to the debate yesterday, the excuse for the Ottinger amendment was the fact that some felt that the formula of Hill-Burton was not meeting the needs of some of the larger cities or some of the cities or areas. So now we go back to the Hill-Burton formula and, first, the excuse for the

Ottinger amendment has vanished, in my judgment. It seems to me we are just attempting to save the authorship of an amendment, and are moving in a direction that I think is ill advised. I hope the amendment is defeated.

Mr. SPRINGER. I think the gentleman has hit the nail on the head.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding. I merely want to say that I am opposed to the amendment of the gentleman from Oklahoma because I consider, as did the gentleman from New Jersey, that the purpose of section 12 is to meet a critical need. It provides funds on an emergency basis. There are certain hospitals in this country that are in a highly critical condition and cannot get relief under the Hill-Burton procedures. Section 12 provides the device to make funds available for that purpose in addition to the Hill-Burton funds. It is in the nature of disaster relief. For that reason I will vote in opposition to the amendment offered by the gentleman from Oklahoma and in favor of the original amendment offered by the gentleman from New York [Mr. OTTINGER].

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from New York.

Mr. OTTINGER. I think there is some misconception at this point. The money provided in this bill can still go to meet the needs of the most critical hospitals in this country. The money must be administered by the Hill-Burton agency and be in accordance with the Hill-Burton requirements in a particular State. This means that with the approval of the director of the Hill-Burton agency and the agency itself, money can go to the most critically needy hospitals in the country.

The CHAIRMAN. For what purpose does the gentleman from West Virginia rise?

Mr. STAGGERS. Mr. Chairman, I would like to see if we can come to some accommodation on the time to be devoted to the Ottinger amendment and all amendments thereto. Yesterday we had a debate of an hour or an hour and a half on the Ottinger amendment.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Illinois.

Mr. SPRINGER. How many minutes would the gentleman suggest?

Mr. STAGGERS. I would suggest that a half hour should be sufficient time.

Mr. SPRINGER. Reserving the right to object, I would like to ask how many committee members on both sides of the aisle wish to speak on this amendment and all amendments thereto? I count even members of the committee standing and six who are not on the committee. I take it that the members of the committee would want 5 minutes apiece.

Mr. STAGGERS. Will the gentlemen agree to make that 45 minutes? I would just like to have a time limitation, be-



cause I think this was discussed for an hour and a half yesterday, and the same points are going to be made time after time after time today. I ask unanimous consent to so limit debate.

Mr. SPRINGER. Mr. Chairman, reserving the right to object, can the Chair advise me how much time, approximately, each Member would be entitled to?

The CHAIRMAN. On a 45-minute time limitation, with 18 Members standing, it would be somewhat less than 3 minutes per Member.

Is there objection to the request of the gentleman from West Virginia?

Mr. NELSEN. Mr. Chairman, reserving the right to object, I would like to ask a question of the Chairman. Is it not true that a brandnew dimension comes into the picture with the new amendment? Had we approached the problem as we were debating it as of yesterday, I would be inclined to agree with the Chairman, but we have a new dimension to be settled before we get down to the debate on section 12.

Mr. STAGGERS. Mr. Chairman, may I say we all know the Hill-Burton formula, and when one talks about it, I think we know, all of us, what is being talked about. I believe 45 minutes is sufficient.

Mr. GROSS. Mr. Chairman, I object to 45 minutes.

The CHAIRMAN. Objection is heard.

Mr. STAGGERS. Mr. Chairman, I move that all debate on the Ottinger amendment—that is, on section 12—and all amendments thereto conclude in 45 minutes; that is, all amendments to section 12 and all amendments thereto.

The CHAIRMAN. The question is on the motion offered by the gentleman from West Virginia.

The question was taken, and the Chairman announced that the ayes appeared to have it.

Mr. GROSS. Mr. Chairman, on that I demand a division.

Mr. DINGELL. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. DINGELL. Mr. Chairman, the gentleman's request comes too late. There was intervening business, Mr. Chairman.

The CHAIRMAN. Was the gentleman from Iowa on his feet at the time?

Mr. GROSS. Yes, Mr. Chairman, I was, at the time, and I turned around to get to the microphone.

The CHAIRMAN. Under those circumstances, the Chair overrules the point of order.

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 62, noes 40.

So the motion was agreed to.

Mr. JARMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. JARMAN. Is the perfecting amendment I offered included as an amendment to the Springer amendment, to be voted on in 45 minutes?

The CHAIRMAN. It is the understanding of the Chair that that amendment is included within the time limitation just agreed to by the Committee of the Whole House.

Mr. JARMAN. A further inquiry, Mr. Chairman. The vote on that perfecting amendment would precede the vote on the Springer amendment, would it not?

The CHAIRMAN. The gentleman is correct.

The Chair recognizes the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, I have sat as a member of the Interstate and Foreign Commerce Committee of the House of Representatives for nearly a dozen years now, and during that time the committee has considered on many occasions the problem of the extension of the Hill-Burton Act. In each instance we found that the actions of the committee, in terms of numbers of beds authorized and amounts of money to be expended, were always inadequate to meet the need, and indeed were always inadequate to meet the special problems which afflict the large cities, the large population centers, and a number of rural areas.

I would point out that one of the reasons why we have the so-called Ottinger amendment included in H.R. 6418, is to provide for Federal assistance to hospital areas and hospitals where there is great overcrowding—the emergency hospital assistance provisions of the bill—is that the committee in its wisdom found and quoted in its report that there is today a great shortage of hospital beds and hospital space to provide for the needs of the people of this country.

If my colleagues will turn to page 36, they will find the following language:

A recent survey conducted in 1966 and accepted by the Public Health Service indicated that 143 of the Nation's private and nonprofit hospitals may be classed as critically overcrowded, since their average annual occupancy rates were 90 percent or more of reasonable capacity, and since adequate alternate facilities were not available within the communities served by them. This survey also revealed that another 1,289 hospitals were experiencing occupancy rates of between 80 and 90 percent—substantially above the national average.

I should like to point out to my colleagues that when a hospital is 90-percent full on an annual basis it is operating substantially in excess of 100 percent of its capacity.

The function of the Ottinger amendment, which the amendment offered by the other side seeks to strike, is to assist in eliminating this great and terrifying problem of overcrowding of our hospitals and to assure, insofar as the situation can be alleviated somewhat by the provisions of the bill.

There is no reason why we in the Congress should wait for a full year to meet a great and pressing need.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The Chair recognizes the gentleman from Minnesota [Mr. NELSEN].

Mr. NELSEN. Mr. Chairman, I rise in full support of the Springer amendment. The issue facing us is simple: Are we going to violate the concepts of the Hill-Burton program which has operated so well since its inception 30 years ago? Are we going to insert this section which will allow no determination of priorities on the State level by State planning organi-

zations created for this very purpose and instead substitute the Secretary of Health, Education, and Welfare who would make grants directly to the hospitals and communities concerned according to his own guidelines? I would hope that by an overwhelming number our answer would have to be a resounding "No" to these questions.

Let us not be confused. The issue here today is not whether we believe that there is a need for additional funds for overcrowded hospitals throughout our land and especially in some of our large cities. Certainly there is. The question is one of our utilizing the time tested, orderly formula approach to meeting these needs rather than completely reversing our field and going to the direct allocation of funds from Washington to the institutions concerned. Section 12 is even foreign to our whole approach to the partnership for health program as enacted in the last Congress and which approach we are rightly continuing throughout the remainder of the 1967 amendments to it in H.R. 6418. As my colleague the gentleman from Texas [Mr. PICKLE] so well put it on this floor yesterday:

Without question, the main thrust of the partnership for health bill as originally introduced was to consolidate many existing categories of grants and allow the States greater flexibility and autonomy in incorporating Federal assistance into their own overall health programs. He said that was a commendable goal and I could not agree with them more. He also referred to the Presidential Commission studying the changes needed when the Hill-Burton related programs come up for review next year and observed that emergency assistance of the type covered in section 12 would be one of the subjects under consideration by that Commission. I agree with him when he said that before we take a step which could do harm to the Hill-Burton program and set a precedent for further splitting off of assistance programs we should study this program more carefully.

In this last connection it should be pointed out that this was not a budgeted item. The President did not ask for it. The Department of Health, Education, and Welfare did not ask for it. And hearings were not held on it. It is a 1-year crash program. If it were just the additional authorization of a number of dollars to an existing program it might be open to question. But when it violates the whole concept of the Federal-State partnership that has worked so well in the past and which we are vastly improving on through the overall partnership for health program, it simply cannot stand under examination in the cold light of day.

I think that a reference to the statement by my colleague the gentleman from Texas [Mr. CABELL] for the RECORD yesterday is worth repeating, in which he advised that the administrator of one of the larger hospitals in Dallas and an officer of the Hospital Administration Association said:

By all means keep these funds within the province of the Hill-Burton funds. Do not fragment them. We recognize that there is not enough money in the Treasury to cure all our evils within one year; let us do it in an orderly fashion and keep it under a program that has worked.

Finally, with the violence I believe this will do to our proven approach to our health programs, I would think it unnecessary to remind all my colleagues what a pork barrel this would be. My colleague, the gentleman from Illinois [Mr. SPRINGER], referred to it yesterday as a bonanza for the big city hospitals. Of course, it can be nothing else but that. This is a proposed 1-year program and absolutely the only people who will get an advantage from these funds are the people who are tooled up for the Federal grants in the first place—those who are ready to get the grants and have the lawyers here in Washington every day of the week and who will be camping on the doorstep of the Secretary of Health, Education, and Welfare just as soon as a provision such as this is enacted. By no stretch of the imagination should we be deceived that a crash authorization such as this is going to be any kind of a boon to our smaller hospitals.

But the heart of the objection to section 12 and why it should be deleted by the Springer amendment is the argument which I originally stated and which I can phrase no better than done by my colleague, the gentleman from North Carolina [Mr. LENNON] yesterday on this floor when he said:

Under this proposal, under section 12, we would for all practical purposes bypass the State planning organizations that were created by the legislatures of the several States. Irrespective of what may be said by our friends from the large urban cities, those States have comparable medical care commissions or State planning bodies, and the applications should properly go through those State planning bodies in order that we can move forward under a very splendid program.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. RYAN].

Mr. RYAN. Mr. Chairman, I rise in opposition to the Springer amendment and support section 12 of H.R. 6418, as reported out from the committee, which provides emergency grants and loans to hospitals in critical condition.

The strain on existing hospitals, urban and rural, and public and private, has continued to worsen. The advent of medicare and medicaid have accentuated the trend. Hospital occupancy has increased between 6 and 8 percent. We now face a shortage of some 66,000 hospital beds.

The Hill-Burton construction program has been used principally to build new hospital facilities in rural and suburban areas all over the country, but it has not been addressed to the needs of our cities. It was pointed out very ably by the gentleman from Illinois [Mr. YATES] yesterday that during 20 years under the Hill-Burton program New York City has received only \$17.5 million, which is 14 percent of the State allocation.

When the Hill-Burton program is reviewed next year, I hope that the committee will recognize the needs of city hospitals and recommend a new program to provide special assistance to them. Unfortunately, section 12 is not—I emphasize this—is not specifically directed to this problem, but it will provide emergency assistance to those hospitals, both urban and rural, whose facilities are

being stretched beyond the point of endurance.

It is beyond dispute that there are a substantial number of hospitals which regularly operate at beyond 100 percent of their capacity. Section 12 of this bill recognizes the special predicament of these overworked hospitals and the communities which they serve by providing emergency aid to hospitals which can meet certain criteria of need. Every type of hospital would be eligible.

It is an emergency measure designed to deal with the present problem and should be implemented until such time as we can get a more comprehensive program to provide more adequate hospital facilities throughout the country, but particularly for urban centers.

Mr. Chairman, it is unfortunate that the minority has singled out this very meritorious program for its arbitrary opposition here this afternoon.

We must bear in mind the critical situation to which section 12 is addressed.

Mr. Chairman, I urge the defeat of the Springer amendment. Unfortunately, as I read the Jarman amendment it will be used to undermine the intent and purpose of section 12.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. WATSON].

(By unanimous consent, Mr. WATSON yielded his time to Mr. NELSEN.)

Mr. NELSEN. Mr. Chairman, when I ran out of time, I wanted to refer to the White House conference which was held some years ago to which the members of the Committee on Interstate and Foreign Commerce were invited to sit in. At that time the announcement was made that we would be moving in the direction of greater flexibility in our health programs, that there would be an attempt made to give the States more authority to make decisions as to where the Federal dollars would be spent. We were elated to hear the news. This represented a great improvement.

Mr. Chairman, my position on this particular piece of legislation is that the so-called Ottinger amendment moves in the opposite direction. If our States are not functioning as they should in the manner of the allocation of funds, it is within the province of the various States to do something about it, because they set up their own State plans.

Mr. Chairman, are we now saying that the Federal Government is wiser than our States? Are we now saying that we have any assurance in the future that the Federal Government will do any better job than our people at home are presently doing?

So, Mr. Chairman, I hope when we vote on the Springer amendment that section 12 will be stricken from the bill. If more money is needed for hospitals, then we can place it in the Hill-Burton funds, put it where it belongs, so that the States can make the decision as to their own needs back home. This is truly States' rights and is a principle with which I am in thorough support.

Therefore, Mr. Chairman, I hope the Springer amendment will prevail.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, I rise to associate myself with the remarks made by the distinguished gentleman from Minnesota [Mr. NELSEN], and also to compliment the gentleman from Texas [Mr. PICKLE]. Both of these men, in my judgment, have succinctly stated the case as it actually exists. Under no circumstances should we permit a tampering with the Hill-Burton program. For many years I have observed the Hill-Burton program in operation. Further, a very close personal friend of mine has served the State of California as a member of the allocation board. He has convinced me of the effectiveness and the efficiency of the current method of providing assistance under the Hill-Burton program and as a result, I want to firmly state my attitude to the Members now present on the floor of the House.

As I see it, the Springer amendment should be adopted because if section 12 is not deleted the net result would be to adversely affect the Hill-Burton hospital program. Section 12 certainly does not add much to help the comprehensive health planning programs. If anything it tends to fragment and/or divide the hospital programs into two categories. It tends to circumvent the regularly established and time-tested successful Hill-Burton allocation boards in operation in the States.

Frankly, this Congress should stop tampering with successfully operating programs. We have enough problems with which to deal without asking for anymore.

When Hill-Burton comes up for review and extension, I hope the Congress will lend every effort toward helping those administering the program and resist any attempt to jeopardize their outstanding efforts of the past. The people dependent upon the finest in hospital facilities deserve no less.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Chairman, the amendment which has been offered by the distinguished gentleman from Oklahoma, in conjunction with the amendment which has been offered by the gentleman from New York [Mr. OTTINGER], is well intentioned, and I recognize that fact.

However, it is my opinion that it would be more acceptable and more palatable to some of the States if we could give consideration to the whole of the problem involved here. What you are going to do is this: If the Jarman amendment is adopted, or if section 12 is left in the bill, the net effect of it is that we will be creating two hospital programs, two specific different types of hospital programs—the Hill-Burton program and then this emergency-type of program, as has been recommended by the gentleman from New York [Mr. OTTINGER].

Mr. Chairman, though the intent is certainly to be commended, we ought not to create in a comprehensive health bill two different types of hospitals.

I think it is the clear intent as has



been shown by the gentleman from Illinois [Mr. YATES] that he seeks and wants to set up a separate system of hospitals in the large cities. The gentleman charges that the Hill-Burton Act program has not worked out properly in these areas. This accusation has not been properly documented in any hearings which were held before the Committee on Interstate and Foreign Commerce. Therefore, I do not agree with that accusation at all. It is my opinion that the country and the Congress of the United States cannot have in operation two programs which are normally operated under the Hill-Burton Act within the various States, and such would be the case under this criteria, if this amendment should be adopted. Then we would also have the State Hill-Burton committee approving the criteria and standards through this special committee. Therefore, you will have this same advisory committee or agency operating in the field of two different types of programs. What would happen is that we would be giving preferential treatment to predetermined cities already on the list, and it is my opinion that that is not fair.

More specifically, I do not believe it is at all proper to create a different type hospital program without giving Hill-Burton a chance to have a full and complete hearing.

Mr. Chairman, the second thought I want to bring out is this: If we adopt the Jarman amendment, we would fragment these programs. Only last week we passed the Appalachian program, and there was provided authorization for some \$28 of \$50 million just for operational expenses, it has been estimated, to give special hospital help to some of those areas. I do not believe we should have gone into those programs because I believe it really properly applies to Hill-Burton, and if we set up another program by this particular bill here, then we are going to fragment it.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. CUNNINGHAM yielded his time to Mr. PICKLE.)

Mr. PICKLE. Mr. Chairman, I thank the gentleman very much for yielding.

There is a certain amount of fairness to the amendment that the gentleman has offered, yet I believe we do not want to have two different State agencies or programs.

I made an effort to contact my State authorities, and they said although it—Jarman amendment—would be better, it does create different types of standards and criteria. They said that the perfecting amendment would not be best in our State.

I therefore say that it is best to keep only one program, and attack this problem at the right time, and in the right committee hearing.

I also talked to my State hospital agency since I discussed this yesterday, and they advised me that in Texas they would be opposed to the Ottinger amendment as in its present form. Particularly they object to the direct grant features by bypassing the State planning agencies. I believe the Jarman amendment would correct that to some extent, but we still are setting up different criteria.

If the Members will look on page 45 of this particular bill they will find that the criteria and the standards in some instances are perhaps the same as in Hill-Burton, but in others they are considerably different. Therefore we have the problem that all we are doing is setting up one committee to try to control both programs, but we create two different hospital programs.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. Yes, I yield to the gentleman from New York.

Mr. OTTINGER. The gentleman is correct that there are different criteria. This program is designed to meet the worst emergencies in the country.

It is also correct that the amendment that the gentleman from Oklahoma [Mr. JARMAN] offers makes it crystal clear that assistance under the program has to be in conformance with the State planning, and the State agency has to approve of any program.

The gentleman is wrong, however, insofar as he implies that it is a big-city program.

Mr. PICKLE. If the gentleman will yield back to me, the gentleman is making a point, and I only am quoting what the gentleman from Illinois has said, specifically in certain instances, and the gentleman from New Jersey [Mr. CAHILL]. There may be a difference of opinion between the two.

Mr. YATES. The gentleman is wrong insofar as his reference to the gentleman from Illinois; he is not quoting him.

Mr. PICKLE. I will be glad to have the proper quotation.

Mr. OTTINGER. Will the gentleman yield further?

Mr. PICKLE. Yes, I yield further to the gentleman from New York.

Mr. OTTINGER. The program was based upon a public health survey which found that 143 hospitals in this country are in critical condition. The median size community was 5,700. Presumably, the breakdown of eligible hospitals and their communities would be similar under this provision.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from New Jersey [Mr. CAHILL].

Mr. CAHILL. Mr. Chairman, I originally intended to support the proposal of the Ottinger amendment on the theory and the belief that there were indeed critical situations brought about in large measure by the population explosion, and by the settlement of the aged in certain areas in certain States, and, of course, the implementation of the medicare program. But now, because of the amendment offered by the gentleman from Oklahoma, I have some question.

I would like to propose this question to knowledgeable members of the committee: Under the Hill-Burton formula it is my understanding that the funds will go to the States based upon a formula that is based upon the relative population and the per-capita income squared. These States then get the Federal funds. In New Jersey the State allocates these funds to priority groups on an areawide basis.

Now we have about 12 areas in New

Jersey. And we get a limited amount of funds. All of those funds go to critical area A. Of the three hospitals in New Jersey deemed most critical, none are in critical area A.

If the Ottinger amendment as amended is adopted and additional funds go into New Jersey, can hospitals in critical area B, C, or D, for example, obtain Federal funds in spite of the State plan? I would like an answer to that question.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. CAHILL. I yield to the gentleman.

Mr. OTTINGER. Under this provision of the bill, section 12, the Secretary will make a determination as to which hospitals he believes are in the most critical condition. He will do this in connection with updating the survey—

Mr. CAHILL. Even if it violates the State plan?

Mr. OTTINGER. We have not gotten to the State plan yet.

The hospital first of all is going to apply to him and he is going to make a survey.

Mr. CAHILL. Please, if I may interrupt the gentleman—the State plan says that the money is to go only to hospitals in critical area A, and these hospitals to which I have reference are not in critical area A. The question is—Can they get funds under your amendment under our State plan?

Mr. OTTINGER. If the Hill-Burton agency in New Jersey approves it; yes. It requires the approval of the Hill-Burton agency.

Mr. CAHILL. That means that existing State plans would have to be changed to do that; does it not?

Mr. OTTINGER. They would have to decide under this program that help for a hospital that otherwise qualifies under this act would not do violence to their State plan—that it is consistent with the plan. They would not necessarily have to change the State plan.

Mr. CAHILL. So that the three hospitals in New Jersey I have referred to could not qualify even if your amendment is adopted unless the State plan is changed.

Mr. OTTINGER. Unless the State agency approves and finds that the program would not be inconsistent with the State plan, it could not be approved—but no change would be required.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. HECHLER].

Mr. HECHLER of West Virginia. Mr. Chairman, I rise in support of the Jarman amendment.

Mr. Chairman, I trust that section 12 of the pending bill will be preserved as is was reported by the committee.

References have been made here to an Ottinger amendment. There is no Ottinger amendment pending. This is already a part of the bill. What we are doing now is voting on whether or not to strike section 12 out of the bill, which would be done through the Springer amendment.

I feel that the perfecting Jarman amendment clarifies the relationship of section 12 to the Hill-Burton program and procedures.

I would just like to ask the gentleman from New York if it is not his understanding that the Jarman amendment merely clears up some of the criticisms that were made by various Members of section 12 of the bill.

Mr. OTTINGER. Mr. Chairman, will the gentleman from West Virginia yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from New York.

Mr. OTTINGER. The gentleman from West Virginia is absolutely correct.

Under section 12, as included in the bill, section (4) (B) (iii) on page 45 requires integration with the State plan. On page 47, section (5) (B) already requires that the project conform to local, State, or regional health planning and programs.

So this makes it crystal clear that nothing done under this emergency program will be in violation of the Hill-Burton State program that is already going on.

Mr. HECHLER of West Virginia. Reference has also been made by some Members that there may be some pride of authorship involved here. There really is not any Ottinger amendment pending. This is part of the bill and all we are doing is deciding to keep it in as part of the bill and perfecting it through the Jarman amendment. Is that not correct, may I ask the gentleman from New York?

Mr. OTTINGER. The gentleman from West Virginia is absolutely correct.

Mr. HECHLER of West Virginia. Mr. Chairman, I certainly hope the Jarman amendment is passed, and that section 12 will be retained as it has been written in the bill. This provision would mean a great deal not only to sections of the country like West Virginia, but it would mean a great deal to the entire Nation.

Mr. Chairman, I hope that section 12 is retained in the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado [Mr. BROTZMAN].

Mr. BROTZMAN. Mr. Chairman, the purpose of this bill—H.R. 6418—is to extend for 3 additional years appropriation authorizations under the Public Health Service Act. The concept of consolidating 16 related programs in the field of public health into one program of project grants, grants for public health services by the States, and grants for comprehensive health planning and expanded research programs is a commendable approach to this complicated matter. It certainly is in the public interest.

Mr. Chairman, the minority members of the Interstate and Foreign Commerce Committee support the concept of comprehensive health. It is my understanding that the original Public Health Service Act passed in the 89th Congress had strong Republican support.

However, Mr. Chairman, we cannot condone the rapid expansion of this program without proper safeguards. In particular, as is clearly pointed out in the minority views, we disagree with section 12 of this bill. This section was not included in the original bill. It was not the subject of hearings. What it amounts to is an amendment to the very successful Hill-Burton Act.

Section 12 would make available directly from the Federal Government an extra allotment of funds for hospital construction. This new assistance, in the amount of \$40 million in 1 year, would be made available on a first-come, first-served basis and would result, in the words of the minority report, in "a preferential bonanza for a few big cities."

Furthermore, Mr. Chairman, section 12 is a "budget buster." At a time when the President is asking for more taxes—at a time when we are facing a projected budget deficit of over \$20 billion, we are being asked to authorize another \$40 million which was not included in the administrative budget submitted by the President.

Mr. Chairman, I urge the deletion of section 12, and the passage of H.R. 6418.

Mr. HALPERN. Mr. Chairman, will the gentleman yield?

Mr. BROTZMAN. I yield to the gentleman.

Mr. HALPERN. Mr. Chairman, I rise in enthusiastic support of the Ottinger amendment as amended by the Jarman amendment.

The modest program offered by section 12, which I joined the able and distinguished gentleman from New York [Mr. OTTINGER] in sponsoring, will make available urgently needed interim help for certain critically overburdened and inadequate hospitals while a program for expanded long-range aid is being worked out.

The survey released last year by the Department of Health, Education, and Welfare showed that 143 hospitals in 97 communities were then in critical condition. An analysis shows that critical hospitals are found in all types and sizes of communities throughout the entire Nation. For example, the median population of communities with critical hospitals in the South was under 5,700.

The funding in this emergency program is truly conservative—\$40 million for grants and \$18 million for long-term, low-interest loans—will make it possible for critical hospitals to treat more than 150,000 new patients each year. How can anyone oppose this objective?

I strongly feel the program will coordinate with the Hill-Burton programs, as the American Hospital Association so clearly pointed out, and I fervently urge support for this modest and vitally needed program.

Mr. BROTZMAN. Mr. Chairman, I ask unanimous consent that the remainder of my time be granted to the gentleman from Iowa [Mr. GROSS].

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, we have arrived at a point where confusion is being compounded on confusion. As I understand the Ottinger proposal in section 12, as it was explained yesterday, it would provide a program that would supplement the funds allocated under the regular formula of the Hill-Burton program. The amendment offered today

by the gentleman from Oklahoma, which he announced as a perfecting amendment, tries now to bring section 12 within the Hill-Burton framework. That is why I oppose the proposal of the gentleman from Oklahoma, and I will vote to retain section 12, which is designed as emergency legislation to alleviate the plight of hospitals that cannot now get funds through regular Hill-Burton channels.

My very able friend from Texas [Mr. PICKLE] and I found ourselves in disagreement because I said I felt Hill-Burton had worked unfairly in relation to the big cities of the Nation. I do not think there can be any quarrel with that statement, because all you have to do is to look at the statistics which I placed in the Record yesterday. The officials of Health, Education, and Welfare will tell you that Hill-Burton is structured to favor rural areas. The big cities have received only a minimal amount of the funds that have been appropriated over the 20 years the Hill-Burton legislation has been in existence.

The gentleman from Illinois whose amendment proposes to eliminate section 12 makes two principal points. The first adopts the language of the minority in the report that "Section 12 would be a preferential bonanza for the big cities," and, second, it would undercut if not destroy the Hill-Burton program.

Mr. Chairman, such arguments are clearly without merit. To call \$58 million a bonanza in a bill of this magnitude is, to say the least, a euphemism. Dividing \$58 million among the hospitals which find themselves in desperate straits hardly makes available an inordinate amount. Hill-Burton funds are limited. Under its formula many hospitals find themselves unable to obtain relief because of their location in a district which under the State plan can make no funds available to them. Yet, it is possible that even the meager funds specified in section 12 would be of significant help to them.

To call section 12 a preferential device for the big cities is a clear distortion. The funds are not tagged for any hospital, whether they be located in a city or a rural area. The money is to be allocated where the Secretary deems advisable, where the emergency is most acute. Even some of the hospitals on the list of 143 that have been mentioned by the gentleman from New York [Mr. OTTINGER] may not receive any money. Such funds may go to a rural area such as the district of the majority leader, for example. He has told me that he is concerned about a hospital there that has an occupancy factor of almost 100 percent.

This is a crash program which will remain in operation only for a brief period. Its purpose is to supplement the Hill-Burton funds. It will not undercut or destroy the Hill-Burton programs, which will continue and receive their normal appropriations.

But I must repeat what I said yesterday that Hill-Burton, excellent as it may have been over the years, under its existing operating formula, does not and cannot take care of the greatest need in hospital care today, and that is the need



of our urban hospitals. Decay and deterioration are making our urban hospitals obsolete and even the changes enacted in the 88th Congress in the Hill-Burton basic legislation do not really provide adequate money for rehabilitation and modernization. It was stated here yesterday by the gentleman from Missouri [Mr. HALL], I believe, that the new Hill-Burton direction provides for modernization. That is true only to a minor degree, for under the new formula, thirteen-eightieths of the funds will be used as has been customary in the past, and five-eightieths will be used for modernization. If we were at all realistic in our approach to the problem, those percentages would be reversed. The vast bulk of the money should be used to rehabilitate and modernize hospital facilities located in the cities. There is where the people live. These are the centers where people are still accumulating in great numbers.

I stated yesterday that a reasonable survey of the condition of hospitals in the city of Chicago and its metropolitan area showed an accumulated obsolescence of \$255.1 million. I learned from officials at HEW this morning that the estimated hospital obsolescence in New York City approximates \$1,250 million.

A survey of the Nation's needs made under the direction of HEW by health officials of each State shows that the accumulated obsolescence for the Nation is the staggering figure of \$6 billion, most of which is in the great cities.

Mr. Chairman, this obsolescence is in the quality care hospitals, the centers of medical excellence which have highly trained personnel and highly specialized health facilities. This problem is so great it must command our immediate attention.

At long last, Mr. Chairman, there is a ray of hope for the big cities. The very able and distinguished Senator from Alabama, Senator LISTER HILL, who is the father of the Hill-Burton Act, has recently filed a bill, S. 2251, to extend and expand the Hill-Burton programs to take care of today's condition by providing a program of direct loans at low interest rates. His bill, which I have filed in the House, would provide the following:

First. The bill would extend and expand the Hill-Burton program of Federal financial assistance for the construction of hospitals and other health facilities and authorize a new program of direct loans at low interest rates for the modernization of nonprofit hospitals and other medical care facilities.

Second. The existing authorization of \$100 million in appropriations for the construction of long term care facilities, diagnostic and treatment centers, and rehabilitation facilities would be extended for 4 additional years, through June 30, 1973.

Third. The existing authorization for the construction of hospitals and public health centers and for grants for the modernization of hospitals and other health facilities would be extended for 4 additional years, through June 30, 1973, and expanded as follows:

## APPROPRIATION AUTHORIZATION

Year	New construction <sup>1</sup>	Modernization
Existing law:		
1968	\$130,000,000	\$50,000,000
1969	125,000,000	55,000,000
Proposed:		
1969	140,000,000	70,000,000
1970	160,000,000	80,000,000
1971	180,000,000	90,000,000
1972	200,000,000	100,000,000
1973	200,000,000	100,000,000

<sup>1</sup> These funds are also available for alterations, renovation, and modernization at facilities with approved projects for additional beds.

Fourth. No change is proposed in the provision under existing law that authorizes a State to transfer funds for the new construction of hospitals and public health centers to modernization if such transfer will "better carry out the purposes of this title." In 1966 a total of \$7.6 million out of a possible \$140 million was transferred to modernization under this authority; in 1967 \$2.9 million out of a possible \$135 million was transferred.

Fifth. A new program of direct loans for the modernization of hospitals and other medical care facilities would be authorized to cover 90 percent of the construction costs—covered by the loan project—at 3 percent interest repayable over a 25-year period. Funds would be allocated among the States on the basis of population, financial need, and the need for modernization of health facilities.

Sixth. The loan program would provide for the following maximum levels of principal outstanding on a cumulative basis:

1969	\$200,000,000
1970	400,000,000
1971	600,000,000
1972	800,000,000
1973	1,000,000,000

Seventh. The new direct loan program would be closely coordinated with the existing grant program under the Hill-Burton program. A favorable recommendation by the State Hill-Burton agency would be required as a condition for approval of a loan application.

Eighth. The financing provisions for the new loan program are similar to those provided for under existing law in the case of loans for the construction of academic facilities under the Higher Education Act.

This bill, Mr. Chairman, provides a measure of promise for hospitals in the big cities. They now find themselves unable to obtain financing from private sources or compelled to pay such high rates of interest and such discounts that they can afford only limited modernization. This bill will give them a reasonable alternative so that they may again serve the public in a modern and efficient manner.

But that program, Mr. Chairman, is for tomorrow. Until then, the relief which section 12 offers should be approved as emergency legislation. I urge the defeat of the amendment offered by the gentleman from Illinois [Mr. SPRINGER].

The CHAIRMAN. The Chair recognizes the gentleman from Illinois.

Mr. SPRINGER. Mr. Chairman, I would like in these few words to see if

I can bring some perspective into this question of rural areas versus cities. The last time that we revised Hill-Burton, we put in, at the request of the big-city hospitals, additions for obsolescence, additions for equipment which had not previously been allowed under the Hill-Burton Act. We tried to take care of those city situations—and may I say a great deal of this came about under the last amendment when the distinguished gentleman from Arkansas, Mr. Harris, was the chairman of the committee. He came forward with this program at the request of HEW, and we did give a preference to the cities over the rural areas. May I say in justification to the rural areas that States are not now even allocating money to hospitals which have less than 100 beds; so small places no longer have the preference which the distinguished gentleman from Illinois pointed out a few minutes ago. We have tried to give balance to the Hill-Burton Act. We have tried to make it a usable and a good program, and it has been. We have tried to change with the changing times. We have tried to keep it up to date, and we have.

The kind of provision which we have under the Ottinger amendment is the kind of thing that does give complete preference, in my opinion, to the large cities that are tooled up to do the job. It is one of the reasons I have been opposed to the Ottinger amendment consistently. The cities are tooled up to make a request, and they are the only ones who are ready under the particular piece of legislation which the gentleman from New York has introduced.

This is one of the reasons that I think it is unwise legislation.

We should not do anything in the health field in haste. That is what the Ottinger amendment seeks to do. It would provide a crash program in haste.

Nothing we can do along this line in the period of a year, in my estimation, is good legislation. We have done a good job, the best we could, with the amount of money which we could in good taste allot for the Hill-Burton Act.

Mr. HECHLER of West Virginia. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred and three Members are present, a quorum.

The Chair recognizes the gentleman from Missouri [Mr. RANDALL].

Mr. RANDALL. Mr. Chairman, I had intended to support the Ottinger amendment, or, to put it another way, oppose the Springer substitute.

I was under the impression the Ottinger plan provided for direct relationship between the local hospital and the Federal Government whereby those overcrowded or critical hospitals could appeal directly to the Federal people if the Hill-Burton plan operating through the States had passed them over year after year. I am still for the new arrangement if there can be any assurance the smaller communities have a chance to participate. The rumor persists, however, that this is all locked up for the big cities.

Now I would like to inquire of the gentleman from New York about an average

population figure he was talking about yesterday and try to pin down if possible as to whether smaller towns will be able to have an application considered.

Most Members of this House have one or more hospitals in their congressional districts which have been patiently waiting for Hill-Burton grants. The most aggravated example in our congressional district is at Butler, Mo., where they have been waiting for years for some Federal hospital assistance to be approved under State priorities. Their best judgment is it may be from 5 to as long as 10 years before they will receive assistance because they are so far down the line under State priorities. Yet this hospital is running at 121.8 percent capacity, and there are patients in the halls and even patients in the lobbies. This community has already approved a \$260 million bond issue in November 1965 and are considering another bond issue in the fall of 1967.

All of the medical profession and the population of the community are now in accord that medicare will in the course of time become a workable and acceptable program. But everyone is also in agreement that hospital beds should have been provided before medicare became operative. It is sort of like putting the cart before the horse. At the present time hospitals throughout our congressional district are so overcrowded that there is no place to put patients over 65 except in the halls.

To care for patients that are not in hospital rooms is not only unfair to the doctor who is trying to heal his patient, but grossly unfair to the patients. As one of our hospital administrators put it:

When a very sick patient is blowing and going out in the hall near a patient about to be served a meal, it is an understatement to say this makes for an unsavory situation.

Worse still, it makes for an almost impossible situation so far as effective treatment of patients is concerned.

In my home city of Independence, Mo., I inquired of our hospital administrator whether he approved the appeal of a hospital directly to the Federal Government for assistance. He replied that his hospital would prefer to work through the State and was somewhat reluctant to bring in a new Federal agency, but added they had no recourse but to favor any sort of a plan that would provide more Hill-Burton funds just as soon as possible. He pointed out there had been patients in their halls all summer. This hospital of 196 beds must somehow, somehow be expanded to a total of 400 beds if it is to meet the needs of the community. His conclusion was that his Congressman should support any kind of a plan that would increase Federal hospital assistance without having to stand in line and wait for State approval of priorities. This administrator also voiced the belief that with the increased use of medicare, the problems of the local hospitals so far as bed shortages are concerned was only beginning to be felt, that these shortages would become more acute in the months and years ahead. In a word his request was "Give us as much Hill-Burton as you can, any way you can, as soon as you can."

Earlier it was mentioned that of the 143 hospitals in critical need—the average population of the communities in which these hospitals are situated is 5,700. Does that mean some will be below and some above the population of 5,700?

Mr. OTTINGER. Mr. Chairman, that is correct. The survey upon which this was based shows 143 hospitals in critical condition throughout the United States, which a year and a half ago would be those who had presumably qualified. At that time the median, the middle was 5,700—not the average.

Mr. RANDALL. Mr. Chairman, because of the limitation of time, may I ask one question of the author of the Jarman amendment? As I read it, on page 47, the Secretary, under the Ottinger provision, can select a hospital for a grant but under the Jarman amendment after such selection or designation he must even then obtain the consent and approval of the State. Is that correct?

Mr. JARMAN. Mr. Chairman, we recognize that emergency money is necessary, but the objective of my amendment is to hold it to a State decision rather than to have some Federal source in Washington pick out the hospitals throughout the country where the money is to go.

Mr. RANDALL. The purpose of my question is to make sure we are not trying to go in two directions at the same time.

All of us believe in the principle of States' rights and a State should have some voice in the approval or refusal of federally financed projects within its boundaries. That is the way the Hill-Burton program has worked in the past. But there are changes which such a program could not anticipate. One was the advent of medicare. Some of us have counties in our congressional districts in which, because of the high concentration of aged people, the average age of the population is over 50. This means that the high number of aging persons in a particular area creates a concentration which has placed an unbearable burden on the hospitals of such an area.

Another problem which the Hill-Burton program cannot cope with is the unexpected or unanticipated population shifts which have placed unpredictable burdens on certain suburban hospitals. Our district includes the East Kansas City suburbs as well as outlying agricultural areas. Both in the suburbs and in our agricultural counties there is at least one overcrowded or critical hospital situation.

Under such conditions what could be wrong with a temporary provision lasting only 1 year which would permit a direct application by these hospitals to the Federal Government for assistance? The entire Hill-Burton program will be considered in review 1 year from now. Some of our hospitals are in critical need of immediate assistance. While we would not want to dispense with or dispose of the long established Hill-Burton proposal of State-Federal cooperation, there is no reason why there could not be a 1-year elimination of the mediating and

evaluating role of the State government in the interest of relief of these seriously overcrowded hospitals.

For that reason, Mr. Chairman, I am constrained to oppose the Jarman amendment because, in my opinion, if it is adopted it puts us right back where we were before the Ottinger proposal for direct appeal to these critical hospitals was made a part of the bill. In other words, we will undo by the Jarman amendment the good to come from the Ottinger proposal just as much as if the Springer substitute were adopted. The parliamentary situation may seem to be confusing but the thing we would all be interested in is the adoption of a temporary 1-year plan to give quick, direct Federal assistance to our most critically overcrowded hospitals.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, I do not want to be guilty of trying to simplify a confused situation, but it seems to me that the Ottinger portion of this legislation, with the amendment of the gentleman from Oklahoma [Mr. JARMAN] provides the following—may I have the attention of the author of this portion of the legislation?

Is it not correct that this legislation now provides that 14 large hospitals could absorb all of the funds available under this section?

Mr. OTTINGER. It does not.

Mr. BROWN of Ohio. Is 7½ percent the maximum that could be given; is that correct?

Mr. OTTINGER. The maximum provided in the bill is 7½ percent. There is no such contemplation.

Mr. BROWN of Ohio. Is it not possible that 7½ goes into 100 percent 14 times?

Mr. OTTINGER. I would say it is totally impossible, because when the last survey was made just a year and a half ago 143 hospitals qualified.

Mr. BROWN of Ohio. It is possible that 14 hospitals could absorb the entire amount of money allowed for in this section.

Mr. OTTINGER. It is only possible in theory, in pure theory. We are not dealing in pure theory.

Mr. BROWN of Ohio. Let me ask another question.

If the Secretary of Health, Education, and Welfare approves the funds allocated hereunder, it would be based on the four criteria set up in this legislation; is that not correct?

Mr. OTTINGER. There are more than four criteria.

Mr. BROWN of Ohio. As I understand it, there are (A), (B), (C), and (D) on page 44, which are the four criteria.

Mr. OTTINGER. In order for the Secretary to approve, under section 5 there are additional (A), (B), (C), and (D) sections.

Mr. BROWN of Ohio. But then we turn around, as I understand it, under the Jarman amendment, and the Secretary's allocation of funds must be approved by the agency which normally approves Hill-Burton funds; is that correct?

Mr. OTTINGER. With respect to any



hospital that applies to a particular State, that State agency must approve.

Mr. BROWN of Ohio. Do I correctly understand, then, that the State agency is expected to approve a grant from the Secretary it did not approve as a grant from Hill-Burton funds?

Mr. OTTINGER. Not necessarily, though it might be.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I am glad to yield to the gentleman from Texas.

Mr. PICKLE. I believe the reading of the Jarman amendment would indicate that if a State did not approve a particular application the Secretary could still put that into force. It might not be likely, but it is possible. The gentleman from New York may not agree, but there is disagreement on our own staff.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The Chair recognizes the gentleman from Montana [Mr. BATTIN].

Mr. BATTIN. Mr. Chairman, one thing which is going to happen here if the Ottinger amendment is retained is a new concept between the Federal Government and our hospitals.

So far, under the Hill-Burton program, the States do have an opportunity to participate in a health plan for the entire State.

Under the amendment offered by the gentleman from New York we are going to have direct communication and a direct operation between the Department of Health, Education, and Welfare and the local hospital.

I have had some personal experience in this regard, difficult as it might be, since the advent of medicare and the regulations that have been put out by the Department of Health, Education, and Welfare as to not only how the local hospitals are to operate but also how they are to keep their books and their budgets.

Some of the hospitals in the State of Montana have found they cannot comply, and have withdrawn from the medicare programs.

What the Members really are asking for is an opportunity to become the negotiator between the hospitals of the United States and the Federal Government. We would be taking on that job, because as soon as the hospital gets into trouble and cannot get what it thinks it is entitled to, then the Members of Congress will have to go down and start dickering back and forth as to whether this locality gets it, or the other.

Where we have had State plans approved by people who give their time, for the most part, who are interested in the health needs and the development of care for these health needs of the United States, we are saying to them, "You are incompetent. Somebody here in Washington is going to tell you how to get the job done."

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BATTIN. I am glad to yield to the gentleman from Ohio.

Mr. BROWN of Ohio. What the gentleman is saying is that this is merely a device to try to damage or destroy the Hill-Burton formula we have used so successfully for so many years, and to

move Federal support in this field into the direction of direct grant programs.

Mr. BATTIN. I say to the gentleman, if anyone is willing to accept a \$40 million authorization to take care of the critical needs which are talked about, this means that we really are willing to take a foot-in-the-door approach so that we can have direct communication between the Federal Government and the local hospital. This would be a bad mistake.

The CHAIRMAN. The time of the gentleman from Montana has expired.

The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, yesterday produced a number of firsts. This is the first I knew—and I have been in the House for several years—that the Hill-Burton Act was not working. There have been many bills, providing for hospital construction, come and go in the years that I have been here, but I never heard so much sudden opposition to the Hill-Burton Act. I suggest that the best way to solve this proposition is to strike section 12 of the bill, refuse to accept any moderating amendments and continue with the Hill-Burton Act which has served the country well.

Also, on yesterday, Mr. Chairman, there was another first. The gentleman from Wisconsin [Mr. REUSS] appeared on the House floor and offered an amendment to provide \$20,000,000 a year for rat extermination. For the first time, and to my amazement, I learned that the gentleman's home city, the great and allegedly progressive city of Milwaukee, is overrun with rats. This is hard to believe in view of the national publicity that has been given to Milwaukee as a city that has done a pretty good job in the rat department. But the gentleman from Wisconsin [Mr. REUSS] indicates otherwise. That leads me to wonder whether it was because Milwaukee was overrun with rats that their baseball team, the Braves, pulled out and left for Atlanta.

Then the gentleman from Maryland [Mr. MATHIAS] appeared on the House floor and for the first time I learned that there is a terrific rat problem in the State of Maryland. He said that Mayor McKeldin, of Baltimore, had produced a plan for the control of rats in that city, but evidently the people of Baltimore are not enchanted with the mayor's plan because he is not going to run for reelection on the basis of his own admission that he probably would not be reelected.

Then there was another first on the part of the gentleman from Wisconsin [Mr. LAIRD], who appeared on the House floor yesterday afternoon in support of the Reuss amendment, but the gentleman from Wisconsin [Mr. LAIRD] said it was not offered because he, the gentleman from Wisconsin [Mr. REUSS], wanted a bundle of money to exterminate rats. The amendment was not offered for that purpose at all, Mr. LAIRD said. Being a self-confessed advocate of economy, he said another \$40 million ought to be stuck in this bill over a 2-year period to sweeten it for some purpose. It is perfectly plain to everyone else in the House, if not to Mr. LAIRD—and anyone can read the statement of the gentleman from Wisconsin [Mr. REUSS], which I

have here—that the sole purpose of his amendment is to provide \$20 million a year for 2 years out of the Federal Treasury for the extermination of rats in that great, progressive city of Milwaukee and other cities. I have never heard a worse indictment of civic responsibility than the gentleman from Wisconsin [Mr. REUSS], delivered yesterday afternoon in listing the innumerable homes with ratholes gnawed in them and the fear of citizens to even walk the streets of Milwaukee after dark because of rats.

And the gentleman from Maryland [Mr. MATHIAS] told of the fingers and toes that he said had been gnawed off by rats in past years. Well, if this problem was so bad years ago as the gentleman from Maryland has said, why has he and the gentleman from Wisconsin come here only now to seek help in the extermination of rats? If the situation has been so bad through the years, where have they been?

If those who have been demonstrating and rioting in Wisconsin and Maryland would expend even a small fraction of their time and energy cleaning up the rubbish and rats they would not be here trying to pick the pockets of the Nation's taxpayers to solve the problem—if there is a problem—that is their responsibility.

And no amount of words from any advocate of the Department of Health, Education, and Welfare will convince Members of the House that the Reuss amendment is not designed to make business good for the rat patrol in terms of increasing the already bloated Federal payroll.

The Reuss amendment, adopted yesterday by a one-vote margin, and with the support of the gentleman from Wisconsin [Mr. LAIRD], ought to be defeated on a rollcall vote today.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. OTTINGER].

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I shall be glad to yield to the distinguished gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I rise in support of the perfecting amendment of the gentleman from Oklahoma, and against the motion to strike of the gentleman from Illinois. I would vote against the motion to strike even if the bill did not have the perfecting amendment, because I feel that the intent of the legislation is quite clear—that this will have to be a fully cooperative Federal-State hospital program.

Mr. Chairman, one other time when we had emergency legislation to come before this body, and it became law, funds were made available for the expansion and construction of hospital facilities. I wish to tell the members of the Committee of the Whole House on the State of the Union that the funds which were made available under that law were not only made available to hospitals in the congressional district which it is my honor to represent, but funds were made available for both large and small hospitals. The State of Florida and my congressional district had no problem in the allocation of those funds. We

experienced complete fairness on the part of the Department of Health, Education, and Welfare in the allocation of funds, and I am sure the Department's administration will continue to be eminently fair. But one thing did happen because the Congress of the United States made money available and the Department of Health, Education, and Welfare administered the program wisely, that is this: we had more and better hospital beds in my district for the people than we had had in the past.

Mr. Chairman, the provisions contained in this bill are designed to do the same thing. All of these problems which have been raised are "straw" problems insofar as I am concerned. I say this because of the experience which I have cited. My thinking leads me to the belief that we will have the same experience under the provisions of this bill. The additional emergency funds authorized will provide very needed hospital beds and facilities. All of us admit that the need for additional and improved hospitals and hospital facilities is critical. I say to the members of the Committee of the Whole House on the State of the Union, do not wait until next year or until some other time to do this, just because there appears to be a difference of opinion as to the manner in which the program is going to be administered.

Mr. Chairman, we do have a very fine program now in operation under the provisions of the Hill-Burton Act. I do not see any problem under this bill in going to the State agency for approval and obtaining for the States an allocation of funds with which to construct these very badly needed hospital facilities. This procedure has worked eminently fair in my State. I am sure that it has worked equally well in other States throughout this country.

Therefore, I fully support the authorization for additional funds. If hospital beds and facilities are not a priority need of our people for which special attention is warranted when an admittedly critical situation exists, then no program is. I trust the motion to strike this portion of the bill will not prevail.

The people of this country need, want, and are willing to reduce other programs in order to provide for hospital beds and improved facilities. The saving of life and the restoration of health are of the highest national priority—second only to the preservation of our national security.

Mr. OTTINGER. Mr. Chairman, this is a short-term program. It is a program to help the hospitals that are most needed throughout this land. It is completely consistent with the provisions of the Hill-Burton Act.

Mr. Chairman, I ask that the provisions of section 12 of the bill be upheld and that the amendment which has been offered to strike this provision be defeated.

Mr. ECKHARDT. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred and eighteen Members are present, a quorum.

The Chair recognizes the gentleman from West Virginia [Mr. STAGGERS] to close the debate.

Mr. PEPPER. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the distinguished gentleman from Florida [Mr. PEPPER].

Mr. PEPPER. Mr. Chairman, this bill, or the issue that is under consideration right now, is nothing but a proposal to add \$40 million as a supplement to the Hill-Burton funds for the purpose of building hospitals and in furnishing hospital aid in areas and in instances where emergencies exist. It does not in any sense of the word interfere with the operations of the provisions of the Hill-Burton Act.

Mr. Chairman, if the Jarman amendment is adopted, as I hope it will be, then the State agencies will be allowed to determine where the money is to be expended.

In some areas in my territory hospitals are today operating on a 96-percent occupancy load and the need is increasing. There are many others in a more serious condition all over the country.

I strongly hope that this amendment to strike will not be adopted and that the Jarman amendment will be adopted. I hope that this needed legislation will become the law of the land. It will do much good.

Mr. STAGGERS. Mr. Chairman, the Jarman perfecting amendment I believe is a desirable amendment because it allows a State agency to make the determination as to whether a project should be approved. Under section 12 of the bill there is allocated \$40 million to be distributed for projects meeting the criteria in the bill. Up to two-thirds of the costs of projects can be provided for projects in areas which are in need of hospital beds. Then there are \$18 million in loans provided for in the bill, making a total of \$58 million.

Those \$18 million in loans will cover up to 90 percent of the rest of the costs of any project in an emergency situation. According to the testimony given to the committee, there are 66,000 hospital beds that are needed now in the Nation, and this amendment will help meet the situation.

I therefore support the Jarman amendment, and oppose the Springer amendment.

Mr. PATTEN. Mr. Chairman, I ask unanimous consent that the gentleman from Hawaii [Mr. MATSUNAGA] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 6418, the Partnership for Health Amendments of 1967. Section 12 of this bill is entitled "Emergency Assistance for Community Hospital Services," and it incorporates the essential provisions of legislation which I cosponsored. The Springer amendment would delete this section and I urge the defeat of the proposed amendment.

In his message to Congress in 1965 on the subject of health, President Johnson said:

Our first concern must be to assure that the advance of medical knowledge leaves

none behind. We can—and we must—strive now to assure the availability of and accessibility to the best health care for all Americans, regardless of age or geography or economic status.

One of the many pieces of legislation enacted in the last Congress as an effort to achieve this assured "availability of and accessibility to the best health care for all Americans" was the Comprehensive Health Planning Act of 1966.

The legislation we are considering today, H.R. 6418, the Partnership for Health Amendments of 1967, would extend and expand the work started by the 1966 act, Public Law 89-749, and also establish other programs to help assure the best possible medical care for all our people. This is an important bill, and it merits our sympathetic and favorable consideration.

The need for legislation of this type has been recognized for a number of years. Since 1935, Federal support has been provided on a continuing basis for public health activities through grants-in-aid. From that time, this Federal financial assistance has been oriented increasingly toward specific disease categories or health problems. Local needs received little attention. The growing demand for better health care for more people necessitated another look at our system of aid and more flexibility in this aid.

The problem was similar to that of some 20 years ago in the field of hospital and medical facilities. In the early forties, it was apparent that the existing system of hospital construction was too haphazard to provide the necessary coverage in hospital care. Some areas had more hospitals than they needed, while other areas had hardly enough or no hospitals at all. The landmark Hill-Burton Act virtually changed the hospital map of the United States. This was achieved in large part by the program's provision for areawide planning for facilities. Each State was required to survey its needs and plan its own construction projects. This insistence on a strong State and local voice in the program has made the Hill-Burton program the unparalleled success it is today.

Hill-Burton also pointed the way to the kind of program approach which was enacted in Public Law 89-749, the extension and expansion of which we are considering today. Problems of health do not fit well into specific categories and subdivisions. Federal, State, and local, as well as private, efforts to deal with them have not been organized in such a way as to best utilize the resources at our disposal. Effective use of total health resources is dependent upon a high degree of coordination of all health efforts, and therefore on comprehensive health planning. In this regard, the word "partnership" in the popular name of the bill is highly significant. It indicates the nature and extent of the cooperative effort that is being expended by the Federal, State, and local governments to make this health program a success.

The Comprehensive Health Planning Act and Public Health Services Amendments of 1966 represented a brave new approach in the field of health services. It deserves the longer term of service



that H.R. 6418 would provide. The 2 years provided for in the original act are not nearly enough to accomplish what must be done. An additional 3 years and the increased appropriations would help a great deal in this accomplishment. The additional provisions, including emergency grants to hospitals and the licensing of clinical laboratories, would further enhance the partnership for health between the various levels of our Government and society. President Johnson said in his health and education message earlier this year:

Our national resources for health have grown, but our national aspirations have grown faster. Today we expect what yesterday we could not have envisioned—adequate medical care for every citizen.

Mr. Chairman, H.R. 6418 would enable us to utilize our resources in the field of health to the fullest, and thereby provide the best medical care possible to every citizen who needs it. I therefore urge that the measure be given our unanimous support.

The CHAIRMAN. The time of the gentleman has expired.

Under the agreement on limitation of time, all time has expired. The question is on the perfecting amendment offered by the gentleman from Oklahoma [Mr. JARMAN].

The question was taken; and on a division (demanded by Mr. OTTINGER) there were—ayes 43, noes 102.

Mr. OTTINGER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. OTTINGER. Mr. Chairman, was that vote on the Jarman perfecting amendment?

The CHAIRMAN. The Chair will state that is correct.

Mr. OTTINGER. Mr. Chairman, I demand tellers.

Mr. PICKLE. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. PICKLE. Mr. Chairman, I make the point of order that the demand comes too late; the Chairman had already announced the vote.

The CHAIRMAN. The Chair will state that the point of order is overruled.

Tellers were ordered, and the Chairman appointed as tellers Mr. JARMAN and Mr. SPRINGER.

The Committee divided, and the tellers reported that there were—ayes 70, noes 126.

So the amendment was rejected.

The CHAIRMAN. The question now occurs on the amendment offered by the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SPRINGER and Mr. STAGGERS.

The Committee divided, and the tellers reported that there were—ayes 155, noes 81.

So the amendment was agreed to.

AMENDMENT OFFERED BY Mr. WATSON

Mr. WATSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WATSON: On page 28, line 17, strike the semicolon and insert a period, and strike lines 18 through 20.

Mr. WATSON. Mr. Chairman, when the comprehensive health bill was passed last year it provided, as does the bill before us today, for project grants for health services development. There were three types of these project grants as follows:

First. Services to meet health needs of limited geographic scope or of specialized regional significance.

Second. Stimulus and support for an initial period for new programs of health services.

Third. Studies, demonstrations, or training designed to develop new methods.

Projects included in the first and second items could be funded only if consistent with the State plans where they were to take place.

The bill before you now was changed by the drafters without notice or comment. In fact, the change was so obscure that even our fine professional staff took it to be a mere conforming and technical amendment until 2 days ago when the change was pointed out for what it was—a substantive change which is a matter of serious concern to the States.

The very innocent-looking language on lines 19 and 20 of page 28 of the bill goes like this:

(3) the second sentence of such section 314(e) is amended by striking out "or (2)".

It is not to be found in the section which deals with section 314 of the Public Health Services Act but in the section which deals with section 304. But the drafters knew it was there and said not a word until the discovery was presented to them, and then they admitted it was a substantive change. This is a shoddy practice, and the committee and this House have reason to be suspicious of the claims for reasonable administration made by a department which allows such practices.

Here is what it really does. The project grants which were for stimulating and supporting for an initial period new programs became something different and obviously broader. It now reads "developing," rather than "stimulating," and supporting for a period new programs of health services—including related training. Having changed the nature of these particular project grants, the Department then removed the words "or 2," thus making it possible to completely sidestep and ignore the wishes of the State government in the area where the new program was to be carried out. It could—and in view of the means by which the authority was sought, probably would—carry out programs wherever it wished even in the face of outright opposition by the State to such activities.

If a new program being developed and supported by HEW for its own reasons is not consistent with the plan of the State government, and particularly if it is definitely inconsistent or contrary to the policy of that State government, it should not be allowed to proceed. By ac-

cepting this amendment we are merely returning to the status of the act as it now exists and which, until now, everyone thought would continue to exist. It would merely require that these pet programs of HEW must be cleared with the State and be consistent with the plans of that State.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. WATSON. I yield to the gentleman from West Virginia, the chairman of the committee.

Mr. STAGGERS. Mr. Chairman, in response to the gentleman from South Carolina, I would like to say this was not discussed in the committee and there was not sufficient testimony given on this point. I would be willing to accept his amendment and support this, and send it to the Senate and let them have hearings on it.

Mr. WATSON. Mr. Chairman, I appreciate very much the help of the chairman of the committee.

I would like to say this one further word about how this situation developed so that other committees might be alerted to such eventuality. We relied upon the Department for various technical and conforming amendments. Our able staff—and I yield to no committee as far as the dedication and ability and hard work of our committee and staff—did not find this so-called technical change, which was incorporated into the bill by the Department, was indeed a substantive change. We subsequently discovered this very serious substantive change and I am glad to know the chairman will agree with us in correcting this. Frankly, with the correction of this, it will leave the bill exactly as it was intended.

Mr. JARMAN. Mr. Chairman, I take this time to ask for clarification of the intent of language in the bill relating to the requirement that 70 percent of the formula grant funds for a State be available only for the provision of services in communities.

Where a State health or mental health agency provides services for a community at the request of the community, or provides services that clearly aid local communities, such as statistical services or training, would these expenditures be counted as part of the 70-percent limitation?

Mr. STAGGERS. Mr. Chairman, if the gentleman from Oklahoma would yield, it is my interpretation that the committee intended the 70-percent limitation to apply to expenditures of this type.

Mr. JARMAN. I thank the distinguished gentleman from West Virginia.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. WATSON].

The amendment was agreed to.

Mr. DENNEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am sure my colleagues will be pleased to know that I have no intention of offering an amendment at this stage of the proceedings to page 40, line 10, to provide that in making the allocations of direct grants to the States, the Secretary would give consideration to the population in the States and in the communities with reference to how the

State committees allocate the 70 percent of the funds.

In checking with the chairman of the committee and the ranking Republican and with counsel—and my own idea being that direct block grants to States should be unfettered by strings of the Federal Government—I decided not to offer the amendment.

I should like to call the attention of my colleagues to a problem which does exist in some States and which exists in my State. I should like to engage in a short colloquy with the chairman and with the ranking Republican member of the committee, as to what the idea of the committee was on this problem.

As an example, in my State of Nebraska for the year 1968 we find there will be direct block grants to a metropolitan city in the State of Nebraska of \$150,000, and the second ranking city will get \$10,000.

I recognize that possibly there is a problem with the advisory committee of the State, but what was the attitude of the committee toward such a problem as this? Was there any intent on the part of the committee, when these direct block grants were sent out to the States, as to how they should be apportioned to the respective communities in the States?

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. DENNEY. I am glad to yield to distinguished chairman.

Mr. STAGGERS. I might say that this money is supposed to be allocated under a State plan, and the State plan is to be prepared by the State planning agency, with the advice of the State advisory council.

I do not believe the gentleman's State has a State advisory council in operation at the present time. I believe they are in the process of getting one. The allocation of funds to which the gentleman has referred was under the old plan.

It was the intent of the committee that these funds be distributed as equally as possible in areas where the needs are.

It is the responsibility and the duty of our Oversight Committee, when there are problems in the States, to check on them and to see that the agency is doing its work fairly.

It is our duty, under the Reorganization Act of 1946, to keep check over anything we have provided, and that is our intent.

As I say, it is our duty to see that this is done. What we are trying to get away from is the Federal Government stepping in and telling the States what they ought to do with the money. That is the intent of the committee in drawing up the legislation, I say to the gentleman from Nebraska.

We also hope that the Department will look into this situation discussed by the gentleman.

We hope that first the State agency will do so, however. We try to leave this responsibility to the States.

Mr. DENNEY. I thank the chairman.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. DENNEY. I yield to the gentleman from Illinois.

Mr. SPRINGER. I want to say to my distinguished colleague from Nebraska, the gentleman has presented an excel-

lent case here this afternoon, not only on the floor but also in talking with me and the chairman of the committee. I commend the gentleman for the fine job he is doing for his district and the State of Nebraska.

If what the gentleman has been talking about this afternoon is taking place, that is not my understanding of how the State agency is supposed to operate.

It is true that under the original Hill-Burton Act we gave this to the State agency, because we felt it ought to be administered at the State level.

I am sure my colleague would agree that is where the administration ought to be, and not in Washington, D.C. We have attempted to do that.

If what the gentleman has stated this afternoon is taking place, that is wrong, because there is supposed to be a general distribution of these funds based on need. They should not go in the great majority of the funds to one metropolitan center.

I want to assure the gentleman that the Oversight Subcommittee or the Health Subcommittee will be holding hearings next year. The gentleman may be assured that this is a problem I will be happy to call to the attention of the committee and also the attention of the subcommittee, next year, when we consider the Hill-Burton Act again.

Mr. SKUBITZ. Mr. Chairman, last year when the House passed the Public Health Service Act, we succeeded in tearing down the barriers of categorical grant-in-aid policies. We offered to each of our States and local communities the right to deal with those threats to public health which are posed in their respective areas of this country. We did not say to them—as we have in so many assistance programs—that they must choose their problem from a list supplied by the Federal Government. Our efforts then are significant today because they represent a step in the direction of a meaningful Federal-State partnership. I raise this point because we need to give serious consideration to it before we cast a shadow over those efforts.

On July 20 of this year, I voted against the Rat Extermination Act and share with many of my colleagues the wrath generated by our action. I voted against the Rat Extermination Act—not because I am blind to the necessity for rat control nor because I thought the idea was funny—but because there is presently available within the Department of Interior, the Office of Economic Opportunity, the Department of Agriculture, and the Department of Health, Education, and Welfare—Federal funds which may be used for rat eradication. I could not perceive any need to put another source of funds within the Department of Housing and Urban Development which was requested in the “rat extermination” legislation before us in July.

There is so much “grant-in-aid” duplication already in existence that it often takes a community 6 weeks to 2 months making the rounds to learn where they belong. We have created a maze through which only the most persistent of our communities and citizens can find their way to Federal assistance. Putting rat control money into the hands

of HUD would have served to extend that maze and to compound the confusion.

Since the problem generated by rats is of primary concern due to considerations for public health, should not the assistance for the control of rats be contained within “health” legislation such that which is before us today? When this bill came before the House from the Interstate Committee, it contained no less than \$892 million in comprehensive health grants to be made to the States in the next 3 years. As the bill was written, the State and local communities would be free to determine the priorities and to use these funds in attacking those problems which are prevalent and most pressing. Not one representative from the Department of Health, Education, and Welfare came before the Interstate Committee to suggest that additional money was needed to be earmarked for any specific problem—rats or otherwise. In fact, testimony from the Department could be considered an endorsement of this concept of “block” grants which have proven successful through the application of this legislation.

I am at a loss to determine the motives of the gentlemen who believe that money must be earmarked for the particular health problem of rats. If we earmark funds for rats, then we will be called upon to earmark funds for drug control, for mosquito control, and for the control of any other pest or disease posing problems to health. Finally the aid will be so broken into piecemeal categories which with separate costs of administration will allow no community to benefit from the money we are appropriating.

When we legislate in behalf of the public health—let us keep it broad and not prescribe what diseases we will consent to help. When we legislate in behalf of rats, then we legislate for publicity and not for the public health or the public good.

The Reuss amendment does not provide funds and earmark them for rat eradication, it only authorizes more funds for the overall programs contained in this bill at a time when taxpayers are asking us to cut Federal spending rather than increase taxes. I shall vote against the Reuss amendment. I shall support this legislation on final passage.

Mr. DENT. Mr. Chairman, listening to the debate here today I find it impossible to understand how any of my colleagues could oppose this urgently needed program to provide aid to critically overburdened and inadequate hospitals.

Several speakers have suggested that these critical hospitals should go out and raise the funds in their communities. This “let them eat cake” argument overlooks the simple fact that the hospitals cannot. We are not talking about big hospitals in rich communities. In the main we are talking about small hospitals in poor communities. That is why they are critical hospitals.

The people who run these facilities are neither stupid nor indifferent. They have tried to raise money from every source and discovered that they cannot because it is not there.

Read the letters that have been inserted in the CONGRESSIONAL RECORD. Speak to the administrators who are



daily wrestling with the impossible task of treating the sick and injured in their communities with inadequate and obsolete facilities. These are skilled and well informed people. They are dedicated. They care and they will never understand why we do not.

Let us clear up any misunderstanding on this point once and for all. There is no danger whatsoever of any funds being provided under this section to any hospital that can raise funds from other sources. The bill specifically forbids this.

On page 44, paragraph 3 cites a specific condition of eligibility that "the needed assistance is not available from other public or private sources".

On page 47, paragraph 5 requires the Secretary of Health, Education, and Welfare to make an affirmative determination that this is indeed the case before he approves any grant.

How is it possible to argue this point?

It is clear, Mr. Chairman, that section 12 of this bill has been precisely defined to meet a genuinely critical situation in a fiscally responsible manner. I urge that all attempts to remove it from the partnership for health bill be defeated.

Mr. VANIK. Mr. Chairman, I want to take this opportunity to oppose the amendment of the gentleman from Illinois [Mr. SPRINGER], which seeks to strike out language from this legislation which would provide emergency grants to hospitals found to be in critical conditions or in areas of critical need.

The fact that critical hospital needs would most likely occur in highly urbanized communities should not detract from the necessity of this legislation. The purpose of this provision is to establish a criteria of special emergency need over and above any other criteria heretofore established.

Earlier in the debate, our distinguished colleague, the gentleman from Illinois [Mr. YATES], set forth the total grants under Hill-Burton funds in 10 principal cities of the United States during the past 20 years of this program as an aggregate amount of \$113,070,000 of the total amount of \$2¼ billion appropriated from Federal funds for hospital construction.

In the following table, I have listed these 10 cities along with their 1960 populations:

City	Hill-Burton funds	Population (1960)
New York	\$17,500,000	7,781,984
Chicago	14,125,000	3,550,404
Philadelphia	28,850,000	2,002,512
Los Angeles	3,610,000	2,479,015
Detroit	6,500,000	1,670,144
Baltimore	6,215,000	939,024
Cleveland	10,605,000	876,050
St. Louis	12,860,000	750,026
Washington, D.C.	8,500,000	763,956
Boston	4,305,000	697,197
Total	113,070,000	21,510,312
Total U.S. population, 1960		183,285,009
Percent of U.S. population in 10 major cities		11.7
Percent of total Hill-Burton funds to projects in 10 major cities		4.1

From these figures it appears that these 10 cities with almost 12 percent of the total population of the United States received only 4.1 percent of the total \$2.75 billion, appropriated for this purpose.

Therefore, it appears that the administration of the Hill-Burton Act under existing law has distributed the Federal Government's Hill-Burton grant money in a manner discriminating against the large urban centers of America which have received one-third of their fair share of these grants. Like many other Federal programs, the Hill-Burton program is apparently providing hospitals for small communities and rural areas far out of proportion to the basic population needs of these areas. While many of these smalltown, rural, and remote areas were undoubtedly in serious needs of hospital facilities, the disproportionate allocation of these grants has served to build up these hospital resources at the expense of the urban communities where the needs are equally as great, and which are suffering a constant migration from rural America. As the population flow continues from farm to city and from small city to large city, this grant discrimination is further accentuated.

The time is long overdue for reevaluating the grant distribution procedure of the Hill-Burton Act to make certain that the future grants are designed to fulfill future needs and to insure that the large urban centers of America will receive their fair share of these Federal moneys.

According to recent statistics of the Public Health Service, Ohio, Indiana, Michigan, and Illinois account for 43 hospitals or 30 percent of the total of 143 hospitals in the United States listed as being in critical condition. Industrialized urban Ohio with 22 critically overcrowded hospitals leads the Nation. Indiana and Michigan with eight critical hospitals tie with Virginia for fourth place exceeded only by Ohio, Georgia with 14 critical hospitals, and Tennessee with 10. Illinois, Florida, Kentucky, and West Virginia tie for seventh place with six critical hospitals apiece.

Under the formula in the emergency grant provisions, these States could receive as much as \$17 million in emergency Federal aid, \$12 million in grants and \$5 million in loans based on the Public Health Service statistics. This legislation would authorize the Secretary of Health, Education, and Welfare to make grants up to two-thirds of the cost of expansion or renovation to provide new bed space and related facilities in critical hospitals. To meet the needs of those hospitals serving communities which lack adequate financial resources to put up the remaining one-third private portion, the act authorizes the Secretary of Health, Education, and Welfare to make long-term, low-interest loans up to 90 percent of the non-Federal share of the construction cost with interest on these loans at 2½ percent with a 50-year repayment period. This legislation would authorize \$40 million in grants and \$18 million for low-interest loans.

It is my hope that the emergency assistance provisions will remain in this law and that the Springer amendment will be defeated.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

The question is on the committee substitute amendment, as amended.

The committee substitute amendment, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BROOKS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6418) to amend the Public Health Service Act to extend and expand the authorizations for grants for comprehensive health planning and services, to broaden and improve the authorization for research and demonstrations relating to the delivery of health services, to improve the performance of clinical laboratories, and to authorize cooperative activities between the Public Health Service hospitals and community facilities, and for other purposes, pursuant to House Resolution 923, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the Committee substitute amendment?

Mr. OTTINGER. Mr. Speaker, I demand a separate vote on the so-called Springer amendment.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. WAGGONER. Mr. Speaker, I demand a separate vote on the so-called Reuss amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Clerk will report the so-called Reuss amendment, on which a separate vote has been demanded.

The Clerk read as follows:

On Page 24, in line 23, strike out "\$70,000,000" and insert "\$90,000,000"; in line 24 strike out "\$75,000,000" and insert "\$95,000,000".

The SPEAKER. The question is on the amendment.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

Mr. WAGGONER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WAGGONER. Am I correct in assuming that the yeas and nays vote which now has been ordered is a vote on the Reuss amendment only?

The SPEAKER. That is correct.

The question was taken; and there were—yeas 227, nays 173, answered "present" 1, not voting 31, as follows:

[Roll No. 265]

YEAS—227

Addabbo	Brademas	Chamberlain
Albert	Brasco	Clark
Anderson, III.	Brooks	Cleveland
Anderson,	Brown, Calif.	Cohelan
Tenn.	Brown, Mich.	Conable
Annunzio	Burke, Mass.	Corbett
Ashley	Burton, Calif.	Cowger
Ayres	Bush	Culver
Barrett	Button	Cunningham
Bell	Byrne, Pa.	Daddario
Blester	Cahill	Daniels
Bingham	Carey	Dawson
Boggs	Carter	de la Garza
Boland	Casey	Delaney
Bolling	Celler	Dellenback

Dent  
Derwinski  
Diggs  
Dingell  
Donohue  
Dow  
Dulski  
Dwyer  
Eckhardt  
Edmondson  
Edwards, Calif.  
Ellberg  
Esch  
Evans, Colo.  
Evans, Tenn.  
Fallon  
Farbstein  
Fascell  
Fino  
Flood  
Foley  
Ford  
William D.  
Fraser  
Frelinghuysen  
Friedel  
Fulton, Pa.  
Fulton, Tenn.  
Gallagher  
Gialmo  
Gibbons  
Gilbert  
Gonzalez  
Goodell  
Gray  
Green, Oreg.  
Green, Pa.  
Griffiths  
Grover  
Gubser  
Gude  
Halpern  
Hamilton  
Hanley  
Hanna  
Hansen, Wash.  
Harrison  
Harvey  
Hathaway  
Hawkins  
Heckler, W. Va.  
Heckler, Mass.  
Helstoski  
Hicks  
Hollifield  
Horton  
Howard  
Hungate  
Jacobs  
Joelson  
Johnson, Calif.  
Karsten

Karth  
Kastenmeier  
Kazen  
Kee  
Kelly  
King, Calif.  
Kirwan  
Kluczyński  
Kupferman  
Kyros  
Laird  
Latta  
Leggett  
Long, Md.  
McCarthy  
McClary  
McDade  
McFall  
Macdonald, Mass.  
MacGregor  
Machen  
Madden  
Mahon  
Malliard  
Mathias, Md.  
Matsunaga  
Meeds  
Meskill  
Miller, Calif.  
Minish  
Mink  
Monagan  
Moore  
Moorhead  
Morgan  
Morris, N. Mex.  
Morse, Mass.  
Morton  
Mosher  
Moss  
Multer  
Murphy, Ill.  
Natcher  
Nedzi  
Nix  
O'Hara, Ill.  
O'Hara, Mich.  
Olsen  
O'Neill, Mass.  
Ottinger  
Patman  
Patten  
Pelly  
Pepper  
Perkins  
Philbin  
Pickle  
Pike  
Pirnie  
Poage  
Price, Ill.

Quile  
Rallsback  
Randall  
Rees  
Reid, N.Y.  
Resnick  
Reuss  
Rhodes, Pa.  
Riegle  
Robison  
Rodino  
Rogers, Colo.  
Ronan  
Rooney, N.Y.  
Rooney, Pa.  
Rosenthal  
Rostenkowski  
Roth  
Roush  
Roybal  
Rumsfeld  
Ruppe  
St. Germain  
St. Onge  
Saylor  
Schauer  
Schweiker  
Schwengel  
Shipley  
Slack  
Smith, Iowa  
Smith, N.Y.  
Stafford  
Staggers  
Stanton  
Steiger, Wis.  
Stephens  
Stratton  
Stubblefield  
Sullivan  
Taft  
Thompson, Ga.  
Thompson, N.J.  
Tiernan  
Udall  
Ullman  
Van Deerlin  
Vander Jagt  
Vanik  
Vigorito  
Waldie  
Walker  
Whalen  
Widnall  
Wilson  
Charles H.  
Wright  
Wyder  
Wyman  
Yates  
Young  
Zablocki

## NAYS—173

Abbt  
Abernethy  
Adair  
Andrews, Ala.  
Andrews, N. Dak.  
Arends  
Ashbrook  
Ashmore  
Bates  
Battin  
Bennett  
Berry  
Betts  
Bevill  
Blanton  
Bolton  
Bow  
Bray  
Brock  
Brotzman  
Brown, Ohio  
Broyhill, N.C.  
Broyhill, Va.  
Burke, Fla.  
Burleson  
Burton, Utah  
Byrnes, Wis.  
Cabell  
Cederberg  
Clancy  
Clausen  
Clausen, Don H.  
Clawson, Del.  
Collier  
Colmer  
Cramer  
Curtis  
Davis, Ga.  
Davis, Wis.  
Denney

Devine  
Dickinson  
Dole  
Dowdy  
Downing  
Duncan  
Edwards, Ala.  
Edwards, La.  
Erlenborn  
Eshleman  
Everett  
Findley  
Fisher  
Flynt  
Ford, Gerald R.  
Fuqua  
Galifianakis  
Gardner  
Gathings  
Gettys  
Goodling  
Gross  
Gurney  
Hagan  
Haley  
Hall  
Halleck  
Hammer-  
schmidt  
Hansen, Idaho  
Hardy  
Harsha  
Henderson  
Herlong  
Hosmer  
Hull  
Hunt  
Hutchinson  
Ichord  
Jarman  
Johnson, Pa.

Jonas  
Jones, Ala.  
Jones, Mo.  
Jones, N.C.  
Keith  
King, N.Y.  
Kleppe  
Kornegay  
Kuykendall  
Kyl  
Landrum  
Langen  
Lennon  
Lipscomb  
Lloyd  
Long, La.  
Lukens  
McClure  
McDonald, Mich.  
McEwen  
McMillan  
Marsh  
Martin  
Mathias, Calif.  
May  
Mayne  
Michel  
Miller, Ohio  
Mills  
Minshall  
Mize  
Montgomery  
Myers  
Nelsen  
Nichols  
O'Konski  
O'Neal, Ga.  
Passman  
Pettis  
Poff

Pollock  
Pool  
Price, Tex.  
Pryor  
Purcell  
Quillen  
Reid, Ill.  
Relfel  
Reinecke  
Rhodes, Ariz.  
Rivers  
Roberts  
Rogers, Fla.  
Roudebush  
Sandman  
Satterfield  
Schadeberg  
Scherle

Schneebell  
Scott  
Selden  
Shriver  
Sikes  
Skubitz  
Smith, Calif.  
Smith, Okla.  
Snyder  
Springer  
Steed  
Steiger, Ariz.  
Stuckey  
Talcott  
Taylor  
Teague, Calif.  
Teague, Tex.  
Thomson, Wis.

Tuck  
Waggoner  
Wampler  
Watkins  
Watson  
Watts  
Whalley  
White  
Whitener  
Whitten  
Wiggins  
Williams, Miss.  
Williams, Pa.  
Wilson, Bob  
Winn  
Wyle  
Zion  
Zwach

## ANSWERED "PRESENT"—1

Buchanan

## NOT VOTING—31

Adams  
Aspinall  
Baring  
Belcher  
Blackburn  
Blatnik  
Brinkley  
Broomfield  
Conte  
Conyers  
Corman

Dorn  
Feighan  
Fountain  
Garmatz  
Hays  
Hébert  
Holland  
Irwin  
McCulloch  
Murphy, N.Y.  
Pucinski

Rarick  
Ryan  
Sisk  
Tenzer  
Tunney  
Utt  
Willis  
Wolff  
Wyatt

So the amendment was agreed to.  
The Clerk announced the following pairs:

On this vote:

Mr. Buchanan for, with Mr. Blackburn against.

Mr. Adams for, with Mr. Hébert against.  
Mr. Conte for, with Mr. Brinkley against.  
Mr. Blatnik for, with Mr. Baring against.  
Mr. Wolff for, with Mr. Fountain against.  
Mr. Tenzer for, with Mr. Rarick against.  
Mr. Feighan for, with Mr. Utt against.  
Mr. Murphy of New York for, with Mr. Dorn against.

Until further notice:

Mr. Aspinall with Mr. Broomfield.  
Mr. Corman with Mr. Belcher.  
Mr. Pucinski with Mr. Wyatt.  
Mr. Sisk with Mr. McCulloch.  
Mr. Hays with Mr. Garmatz.  
Mr. Tunney with Mr. Irwin.  
Mr. Willis with Mr. Ryan.  
Mr. Holland with Mr. Conyers.

Mr. CUNNINGHAM changed his vote from "nay" to "yea."

Mr. BUCHANAN. Mr. Speaker, I have a live pair with the gentleman from Georgia [Mr. BLACKBURN]. If he had been present, he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the so-called Springer amendment, on which a separate vote has been demanded.

The Clerk read as follows:

Beginning with line 1 on page 43, strike out all down through line 4 on page 51.  
Redesignate the following sections accordingly.

The SPEAKER. The question is on the amendment.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. OTTINGER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the amendment was agreed to.

The SPEAKER. The question is on the committee substitute amendment, as amended.

The committee substitute amendment, as amended, was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 395, nays 7, not voting 30, as follows:

[Roll No. 266]

## YEAS—395

Abernethy  
Adair  
Addabbo  
Albert  
Anderson, Ill.  
Anderson, Tenn.  
Andrews, Ala.  
Andrews, N. Dak.  
Annunzio  
Arends  
Ashbrook  
Ashley  
Ashmore  
Ayres  
Barrett  
Bates  
Battin  
Bell  
Bennett  
Berry  
Betts  
Bevill  
Blester  
Bingham  
Blanton  
Boggs  
Boland  
Bolling  
Bolton  
Bow  
Brademas  
Brasco  
Bray  
Brock  
Brooks  
Brotzman  
Brown, Calif.  
Brown, Mich.  
Brown, Ohio  
Broyhill, N.C.  
Broyhill, Va.  
Buchanan  
Burke, Fla.  
Burke, Mass.  
Burleson  
Burton, Calif.  
Burton, Utah  
Bush  
Button  
Byrne, Pa.  
Byrnes, Wis.  
Cabell  
Cahill  
Carey  
Carter  
Casey  
Cederberg  
Celler  
Chamberlain  
Clancy  
Clark  
Clausen  
Clausen, Don H.  
Clawson, Del.  
Cleveland  
Cohelan  
Collier  
Colmer  
Conable  
Conyers  
Corbett  
Cowger  
Cramer  
Culver  
Cunningham  
Daddario  
Daniels  
Davis, Ga.  
Davis, Wis.  
Dawson

de la Garza  
Delaney  
Dellenback  
Denney  
Dent  
Devine  
Dickinson  
Diggs  
Dingell  
Dole  
Donohue  
Dow  
Dowdy  
Downing  
Dulski  
Duncan  
Dwyer  
Eckhardt  
Edmondson  
Edwards, Ala.  
Edwards, Calif.  
Edwards, La.  
Eilberg  
Erlenborn  
Esch  
Eshleman  
Evans, Colo.  
Everett  
Evins, Tenn.  
Fallon  
Farbstein  
Fascell  
Findley  
Fino  
Fisher  
Flood  
Flynt  
Foley  
Ford, Gerald R.  
Ford, William D.  
Fraser  
Frelinghuysen  
Friedel  
Fulton, Pa.  
Fulton, Tenn.  
Fuqua  
Galifianakis  
Gallagher  
Gardner  
Gathings  
Gettys  
Gialmo  
Gibbons  
Gilbert  
Gonzalez  
Goodell  
Goodling  
Gray  
Green, Oreg.  
Green, Pa.  
Griffiths  
Grover  
Gubser  
Gude  
Gurney  
Hagan  
Haley  
Hall  
Halleck  
Halpern  
Hamilton  
Hammer-  
schmidt  
Hanley  
Hanna  
Hansen, Idaho  
Hansen, Wash.  
Hardy  
Harsha  
Harvey

Hathaway  
Hawkins  
Heckler, W. Va.  
Heckler, Mass.  
Helstoski  
Henderson  
Herlong  
Hicks  
Hollifield  
Horton  
Hosmer  
Howard  
Hull  
Hungate  
Hunt  
Hutchinson  
Ichord  
Irwin  
Jacobs  
Jarman  
Joelson  
Johnson, Calif.  
Johnson, Pa.  
Jonas  
Jones, Ala.  
Jones, N.C.  
Karsten  
Karth  
Kastenmeier  
Kazen  
Kee  
Keith  
Kelly  
King, Calif.  
King, N.Y.  
Kirwan  
Kleppe  
Kluczyński  
Kornegay  
Kupferman  
Kuykendall  
Kyl  
Kyros  
Laird  
Landrum  
Langen  
Latta  
Leggett  
Lennon  
Lipscomb  
Lloyd  
Long, La.  
Long, Md.  
Lukens  
McCarthy  
McClary  
McClure  
McDade  
McDonald, Mich.  
McEwen  
McMillan  
McMillan  
Macdonald, Mass.  
MacGregor  
Machen  
Madden  
Mahon  
Malliard  
Marsh  
Martin  
Mathias, Calif.  
Mathias, Md.  
Matsunaga  
May  
Mayne  
Meeds  
Meskill  
Michel  
Miller, Calif.



Miller, Ohio	Reid, Ill.	Steed
Mills	Reid, N.Y.	Stelger, Ariz.
Minish	Reifel	Stelger, Wis.
Mink	Reinecke	Stephens
Minshall	Resnick	Stratton
Mize	Reuss	Stubblefield
Monagan	Rhodes, Ariz.	Stuckey
Montgomery	Rhodes, Pa.	Sullivan
Moore	Riegle	Taft
Moorhead	Rivers	Talcott
Morgan	Roberts	Taylor
Morris, N. Mex.	Robison	Teague, Calif.
Morse, Mass.	Rodino	Teague, Tex.
Morton	Rogers, Colo.	Thompson, Ga.
Mosher	Rogers, Fla.	Thompson, N.J.
Moss	Ronan	Thomson, Wis.
Multer	Rooney, N.Y.	Tiernan
Murphy, Ill.	Rooney, Pa.	Udall
Myers	Rosenthal	Ullman
Natcher	Rostenkowski	Van Deerlin
Nedzi	Roth	Vander Jagt
Nelsen	Roudebush	Vanik
Nichols	Roush	Vigorito
Nix	Roybal	Waggonner
O'Hara, Ill.	Rumsfeld	Waldie
O'Hara, Mich.	Ryan	Walker
Olsen	St. Germain	Wampler
O'Neal, Ga.	St. Onge	Watkins
O'Neill, Mass.	Sandman	Watson
Ottinger	Satterfield	Watts
Passman	Saylor	Whalen
Patman	Schadeberg	Whalley
Patten	Scherle	White
Pelly	Scheuer	Whitener
Pepper	Schneebeli	Whitten
Perkins	Schweiker	Widnall
Pettis	Schwengel	Wiggins
Philbin	Scott	Williams, Miss.
Pickles	Selden	Williams, Pa.
Pike	Shipley	Wilson, Bob
Pirnie	Shriver	Wilson,
Poage	Sikes	Charles H.
Poff	Sisk	Winn
Pollock	Skubitz	Wright
Pool	Slack	Wyder
Price, Ill.	Smith, Calif.	Wylie
Price, Tex.	Smith, Iowa	Wyman
Pryor	Smith, N.Y.	Yates
Purcell	Smith, Okla.	Young
Quile	Snyder	Zablocki
Quillen	Springer	Zion
Rallsback	Stafford	Zwach
Randall	Staggers	
Rees	Stanton	

## NAYS—7

Abbitt	Gross	O'Konski
Curtis	Jones, Mo.	Tuck
Davis, Wis.		

## NOT VOTING—30

Adams	Derwinski	Murphy, N.Y.
Aspinall	Dorn	Pucinski
Baring	Feighan	Rarick
Belcher	Fountain	Ruppe
Blackburn	Garmatz	Tenzer
Blatnik	Harrison	Tunney
Brinkley	Hays	Utt
Broomfield	Hébert	Willis
Conte	Holland	Wolff
Corman	McCulloch	Wyatt

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Utt.  
 Mr. Feighan with Mr. Derwinski.  
 Mr. Adams with Mr. Broomfield.  
 Mr. Wolff with Mr. Belcher.  
 Mr. Tenzer with Mr. Harrison.  
 Mr. Pucinski with Mr. Conte.  
 Mr. Fountain with Mr. McCulloch.  
 Mr. Holland with Mr. Ruppe.  
 Mr. Aspinall with Mr. Blackburn.  
 Mr. Blatnik with Mr. Wyatt.  
 Mr. Corman with Mr. Dorn.  
 Mr. Garmatz with Mr. Rarick.  
 Mr. Tunney with Mr. Willis.  
 Mr. Murphy of New York with Mr. Brinkley.  
 Mr. Hays with Mr. Baring.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERSONAL EXPLANATION

Mr. RYAN. Mr. Speaker, on rollcall No. 265, I am not recorded. At the time

of the vote, the gentleman from Michigan, Congressman CONYERS, and I were recording a broadcast in the House Recording Studio. We were not properly advised that the vote was taking place. Had I been present, I would have voted "yea."

## PERSONAL EXPLANATION

Mr. CONYERS. Mr. Speaker, on rollcall No. 265, I am recorded as not voting. I would have voted "yea" enthusiastically, but unfortunately I was misadvised as to the progress on the floor.

## MENTAL RETARDATION AMENDMENTS OF 1967

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 922 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

## H. RES. 922

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6430) to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from California [Mr. SISK] is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. LATTA] pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 922 provides an open rule with 1 hour of general debate for consideration of H.R. 6430, to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes.

The burden of mental retardation afflicts over 6 million Americans and their families today. Unfortunately, despite the advances which have been made, there is at present no prospect of any immediate or substantial reduction in the number of families who each year must bear this burden; however, it is possible, through programs enacted by the Congress and by the States, and through private voluntary agencies, to make it possible for a much larger number of the retarded to live with some degree of decency and normalcy in our society.

In general, persons are considered to be mentally retarded if their IQ lies in the range from zero to 67. Of the persons in this category, estimated at 3 percent of the population, approximately 11 per-

cent are so severely handicapped that they require institutionalization. Approximately 126,000 children born each year will be considered mentally retarded at some time or other in their lives, and with the advance being made in medical care, a larger number of handicapped individuals' lives are being preserved. In other words, without dramatic breakthroughs, the number of mentally retarded, both in absolute terms and as a percentage of the population, is likely to increase as our population increases.

H.R. 6430 would amend the Mental Retardation Facilities and Community Health Centers Construction Act to extend through June 30, 1970, the programs under which matching grants are made for the construction of university-affiliated mental retardation facilities and community mental retardation facilities, and establish a new program of matching grants following the same formula as set out in the Community Mental Health Centers Act to help meet the cost of technical and professional personnel serving in community mental retardation facilities.

Mr. Speaker, I urge the adoption of House Resolution 922 in order that H.R. 6430 may be considered.

Mr. Speaker, I reserve the balance of my time.

Mr. LATTA. Mr. Speaker, I agree with the statements just made by my colleague, the gentleman from California.

The purpose of the bill is to extend the provisions of the Mental Retardation Facilities and Community Mental Health Centers Construction Act, and to establish a new program of grants to assist in meeting the costs of the technical and professional personnel serving in community mental retardation facilities.

The authorizations contained in the bill extend the act for 3 years—through fiscal 1970.

The committee notes that each year some 126,000 children are born who are retarded to some degree. Currently, about 6 million Americans are retarded to some degree, and of these about 660,000 must be cared for in institutions at least part of the time; 189,000 of these live in institutions. The committee report also indicates that unless unforeseen breakthroughs occur, the number of persons afflicted will continue to increase as our population does.

The bill extends for 3 years—through June 30, 1970—the program of construction of university-affiliated facilities, with authorizations of \$10,000,000 for fiscal 1968, and \$20,000,000 for both 1969 and 1970. These funds may be used to pay up to 75 percent of construction costs of treatment facilities and training centers for the medical personnel needed for research, treatment, and education in this field. This grant program has already resulted in the construction of 14 such university-related facilities, training about 10,000 professional personnel a year.

The bill also extends the community facilities grants which enable local areas to construct and maintain facilities for their mentally retarded. Since 1963 a total of 167 such projects have been funded at a cost of \$108,000,000, of which the Federal share has been \$31,000,000. Authorizations for this program are \$30,-

000,000 for fiscal 1969, and \$50,000,000 for fiscal 1970; \$30,000,000 is authorized for 1968 under existing law.

Under this program staffing grants are also available to assist local communities in maintaining and operating their mental retardation facilities with qualified personnel. These grants cover a 4-year period and may equal a declining percentage of such personnel costs: 75 percent the first year, 60 the second, 45 the third, and 30 for the fourth and last year. Authorizations for this program are \$7,000,000 for fiscal 1968 and \$14,000,000 for both 1969 and 1970. Following that, for the next 4 years such sums as may be necessary are authorized to complete the program.

The bill is supported by all interested agencies. There are no minority views.

Mr. Speaker, I have no requests for time on this side of the aisle.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, is this a closed rule or an open rule?

Mr. LATTA. Mr. Speaker, it is an open rule, with 1 hour of debate.

Mr. GROSS. Mr. Speaker, I thank the gentleman.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6430) to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia.

The motion was agreed to.

#### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6430, with Mr. GALLAGHER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from West Virginia [Mr. STAGGERS] will be recognized for 30 minutes, and the gentleman from Illinois [Mr. SPRINGER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill we have before us today came out of our committee unanimously and frankly I expect it to pass the House unanimously. It provides for aid to the mentally retarded through extending and expanding two programs which our committee authorized several years ago and through aiding a new program.

The bill provides for matching grants to aid in the construction of university-

affiliated facilities for the mentally retarded; provides for matching grants following a Hill-Burton type formula for aid in the construction of community facilities for the mentally retarded; and provides for matching grants to be used to pay the cost of new or additional services provided by technical or professional personnel in institutions for the mentally retarded.

The total appropriation authorizations contained in the bill amount to \$217 million of which \$50 million is provided for the program of university-affiliated facilities; \$80 million is authorized for matching grants for construction of community facilities; and a total of slightly over \$86 million is provided for matching grants for the costs of professional and technical personnel. This totals \$217 million to deal with problems of mental retardation.

Mr. Chairman, the problem of mental retardation is one which afflicts families throughout the United States from the very lowest income groups to the very highest. It is estimated that as many as 3 million Americans are mentally retarded, and about 11 percent of that number are so severely handicapped that they require institutional treatment of one sort or another.

Over 189,000 persons are in institutions today, and more than 31,000 persons are on waiting lists at these institutions.

Information furnished to the committee, however, indicates that even if these waiting lists would be wiped out overnight, there would be a large waiting list again in the very near future since many persons do not seek institutional care today because they realize the unavailability of facilities.

There have been many programs passed in recent years dealing with this problem; however, experts tell us that there are no prospects for the immediate future in any substantial reduction in the number of families which will bear the burden of mental retardation.

The bill before us today is designed to provide assistance in dealing with this problem through providing facilities for the mentally retarded and helping provide personnel for the treatment of these handicapped persons. The types of specialized facilities needed by the mentally retarded are shown in a table set out on page 10 of our committee report. This table shows the wide variety of facilities and care that are needed by mentally retarded persons and also illustrates the wide variety of skills which are needed by the people who man these facilities.

The bill provides for assistance in construction of university-affiliated facilities which will provide a full range of services for the mentally retarded and will provide training and experience for persons seeking careers in this field.

The bill also provides for matching grants to aid in paying a portion of the costs of salaries of these people at community facilities constructed with assistance under this legislation.

It is impossible to tell at this time how many facilities will be required. We were able to make such estimates in the case of the program recently considered by the House dealing with community men-

tal health centers; however, it is not possible to make such estimates in the case of facilities for the mentally retarded because of the wide variety of facilities required.

The needs, however, are great, and this bill provides a means of meeting a portion of those needs. We welcome its approval by the House.

Mr. SPRINGER. Mr. Chairman, I yield myself such time as I may consume.

First may I say to my colleagues, this is not a new program.

We originally authorized this program in 1963. From our observation of the program all over the country, it has not only been well received but has worked well. This is the first extension of the act to build facilities for the mentally retarded at university locations as well as local. The program is funded as follows: There are funds for university affiliated facilities which total \$50 million; there are funds for community facilities which will get \$80 million; and there are funds for staffing of new facilities or for staffing of new programs.

I will admit that even with the authorization we provided originally and the subsequent appropriations we have had for the last few years very few are actually built now and operating. However, the program is getting off the ground. It does show hopeful signs which we thought would be in this program when we started it originally. What we are doing is merely reauthorizing the program. We are refunding it for a 3-year period.

May I say the second important point is that the bill adds initial staffing, following the same pattern as for community mental health centers. For the first 15 months 75 percent will come from the Federal Government. For the next 12-month period it goes down to 60 percent. For the following 12 months it goes down to 45 percent, and for the fourth period of 12 months it is down to 30 percent. Then the Federal Government is out of the program, and it is then up to the community to be in a position to finance the staffing on their own.

What we have tried to do in communities where they did not have sufficient funding to get under way was to provide the money in the staffing field which ultimately provides the incentive and initial stimulus needed.

The authorizations in the bill are as follows: For university facilities, it is very modest. For 1968 it is \$10 million, for 1969, \$20 million, and for 1970, \$20 million. The community facilities will not need further authorization until 1969. It will be \$30 million, and for fiscal year 1970, it will be \$30 million.

The bill also provides for initial staffing, which will be new grants. For 1968, there will be \$7 million for initial grants; for 1969, it will be \$10 million; in 1970, it will be \$14 million. Then such sums as are necessary are provided for continuation grants.

The total for the 3-year period covered by the bill is \$217 million.

We believe on the basis of all the testimony which was rendered to us by those who will administer this program that this funding is adequate for the present.



We gave, may I say, the Department every single penny they asked for this program. We believe thus far in their justifications they are doing a good job. We have had no complaints with the program as it is presently being carried out, but I think you can see this is still quite small in the context of 6 million people in the country who are affected by mental retardation. In addition to this we can expect over the next 10-year period, so we are advised, an average of about 150,000 mentally retarded children who will be born each year.

So, Mr. Chairman, this situation does raise some very serious questions as to where we are going and as to how we are going to handle this problem. We are watching it most carefully. We believe that we are authorizing the ongoing program in accordance with good procedural practices. Each time representatives of the department appear before us we feel that we obtain answers to the questions which we have asked and which furnish pertinent information bearing thereon.

Mr. Chairman, I have been interested in this program going back to the time even when I was county judge in my own home county for the period from 1946 to 1950. I saw mentally retarded children every month. I know what the problem is. Fortunately, in my area we had the great University of Illinois which was willing to furnish psychiatrists and psychologists, free of charge to us for the treatment of this problem at that time. These professional people gave their service free to the community. Their service represented a tremendous assistance to us. However, I realize that every person who is going to administer this program is not going to have a great university at his or her elbow with which to undertake to solve some of the problems of the mentally retarded. But I do believe that we are off to a good start and that we are continuing a good program. It is my opinion that the next program will be even better than the one of the past.

Mr. Chairman, for these reasons, I am happy to recommend this program as we have brought it from the Committee on Interstate and Foreign Commerce.

Mr. STAGGERS. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Oklahoma, the chairman of the subcommittee [Mr. JARMAN].

Mr. JARMAN. Mr. Chairman, I rise very simply to say that our subcommittee did hold most thorough hearings upon this measure. The subcommittee was unanimous in its agreement upon reporting this legislation, as was the full committee as to the need for it. Our Nation has made a beginning in this field, because so much is yet to be done in our united efforts to begin to alleviate the terrible suffering and sorrow of this disability in our country.

Mr. Chairman, H.R. 6430 carries out recommendations of the President in his message on the welfare of children. The bill is designed to help meet the urgent and pressing need to provide adequate facilities for the mentally retarded and to assist in the staffing of those facilities.

I want to say at the outset that all of

the members of the Committee on Interstate and Foreign Commerce have been most helpful in our consideration of this legislation. I thank them, and I think this body and the whole American people owe them thanks for the constructive and nonpartisan approach they have taken. On both sides of the aisle in our committee, Mr. Chairman, there was a genuine appreciation of the need to continue our efforts to prevent mental retardation where we can; and to lessen the burden of suffering, for the retarded and for their families, where we cannot.

The legislation which H.R. 6430 extends and broadens was originally enacted in 1963. In that year, based largely on recommendations of the President's Panel on Mental Retardation, we passed two major pieces of legislation in the field of mental retardation:

The Maternal and Child Health Mental Retardation Planning Amendments of 1963 (Public Law 88-156); and

The Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (Public Law 88-164).

These two laws were historic firsts in our national effort to combat mental retardation. The legislation reported today is an extension and expansion of the essential programs initiated in Public Law 88-164—programs that have barely begun to make an impact on the problem of mental retardation.

There is a growing awareness of the problem of mental retardation. An estimated 3 percent of our total population is mentally retarded. Each year 126,000 babies are born who will be considered mentally retarded at some time in their lives.

Under the 1963 legislation, research centers are being developed which will help find the causes of mental retardation and reduce disability. We have the beginnings of a construction program, to build mental retardation facilities on university campuses—facilities that will provide specialized training for professionals who serve the mentally retarded. And across our Nation the sites have been selected for over 100 community facilities that will provide much needed services to the mentally retarded in the communities where they live.

These programs are just beginning. H.R. 6430 will provide the continued assistance needed in these vital construction programs, and in addition offer communities a helping hand in getting service programs underway by offsetting the burden of a portion of the initial cost of staffing community facilities. The staffing provisions of this bill are patterned after the program enacted by Congress in 1965 to assist in staffing community mental health centers. The initial staffing concept of declining Federal participation recognizes that the basic responsibility for supporting services for the mentally retarded rests with the States and local communities—and at the same time acknowledges the essential role of the Federal Government in stimulating and initially supporting those services.

As set out on page 3 of the committee

report, the bill authorizes a total of \$50 million for grants for the construction of mental retardation university-affiliated facilities and \$80 million for the construction of community facilities for the mentally retarded over a 3-year period.

The bill authorizes \$31 million for initial staffing grants in the 3 fiscal years 1968 through 1970, and \$55.8 million in continuation grants in the 5 fiscal years 1969 through 1973.

The total authorization in the bill is \$216.8 million.

In summary, Mr. Chairman, here is what H.R. 6430 would do:

First, it would authorize a 3-year extension of the program of grants for the construction of university-affiliated facilities for the mentally retarded.

This construction program is designed to provide the physical setting for training efforts needed to alleviate the acute shortages of professional and technical personnel required to care for the mentally retarded.

The authority of this program is expanded by the bill to include persons with other neurological handicapping conditions related to mental retardation and to allow these grants to include construction for related research.

Second, it would authorize a 3-year extension of the program of grants for the construction of community facilities for the mentally retarded.

These community facilities will provide the wide variety of specialized services needed by the mentally retarded: diagnosis and evaluation, education, vocational rehabilitation, lifetime planning and residential care. Grants are made available to every State, and the facilities are constructed with the cooperation and participation of the State and local communities.

Third, it would also authorize a new program of grants for part of the cost of compensating professional and technical personnel who serve the mentally retarded. These grants will assist in the initial operation of new community facilities for the mentally retarded and to initiate new services in mental retardation facilities.

#### CONCLUSION

Mr. Chairman, the passage of H.R. 6430 is imperative. The millions of families touched by the problem of mental retardation look to this legislation as a sure indication that we are willing to continue our efforts to combat this awful disability. I strongly urge the enactment of H.R. 6430 as reported by the Committee on Interstate and Foreign Commerce.

Mr. Chairman, I urge the passage of this bill.

Mr. SPRINGER. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Colorado [Mr. BROTMAN].

Mr. BROTMAN. Mr. Chairman, I thank the distinguished gentleman from Illinois for yielding to me at this time.

Mr. Chairman, I rise in support of this legislation and to congratulate the chairman of the Committee on Interstate and Foreign Commerce as well as the ranking minority member, the gentleman from Illinois [Mr. SPRINGER], and the

chairman of the subcommittee, for bringing this very vital piece of legislation to the floor of the House today for its consideration.

Mr. Chairman, when I served in the 88th Congress, I helped to draft the original Mental Retardation Facilities and Community Mental Health Centers Construction Act—Public Law 88-164. That act came out of the Health and Safety Subcommittee now called the Public Health and Welfare Subcommittee, on which I was serving in the 88th Congress. I also served on the conference committee on the original bill.

The original act provided assistance in combating mental retardation through grants for construction of research centers and community facilities for the mentally retarded. The program has been a tremendous success. Over 167 projects for the mentally retarded have been funded under this act, at a total cost of \$107 million, of which the Federal share was \$31 million.

H.R. 6430, the bill which we are considering today, will amend the Mental Retardation Facilities and Community Mental Health Center Construction Act to extend the programs under which matching funds are available for the construction of university-affiliated mental retardation facilities and community mental retardation facilities.

My State and district provide excellent examples of how well the program has served the American people—and why it deserves the continuing support of Congress.

The University of Colorado is one of 17 universities presently receiving grants for the construction of university-affiliated facilities for the mentally retarded. This construction program is designed to provide the physical setting for training efforts needed to alleviate the acute shortages of professional and technical personnel required to care for the mentally retarded. The University of Colorado program has a total cost of \$602,884 of which the Federal share is \$369,000. It is scheduled for completion this month.

The committee, in considering H.R. 6430, broadened the authority for the construction of university-affiliated facilities so as to allow a portion of these facilities to be used for research activities incidental or related to the programs for which they are designed. The authority to construct mental retardation research centers was a part of the original Mental Retardation Facilities and Community Mental Health Centers Construction Act which expired on June 30, 1967. The administration did not recommend the extension of this program. The administration recommended that time for evaluation and assessment of these research centers should be allowed before it is continued. However, in order to assure a continuation of research programs, the committee, as I pointed out earlier, expanded the university-affiliated facilities to include the existing research center program. The University of Colorado currently is constructing a research center scheduled to be completed in 1968. The work of this center will complement and provide beneficial

and needed information for the program at the university retardation facility.

At the present time, there are four community mental retardation facilities receiving assistance under this act in Colorado. They are Laradon Hall School for Exceptional Children, in Denver; the Residential and Training Facility for Mentally Retarded Children, in Julesburg; the Robin Rogers School, in Cortez; and the Mental Health & Mental Research Center of Boulder County, Inc., in Boulder.

Mr. SPRINGER. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Minnesota [Mr. NELSEN].

Mr. NELSEN. Mr. Chairman, here is a bill that I enthusiastically support.

Mr. Chairman, when we deal with the mentally retarded children of our Nation, I think it behooves all of us who are sound in both body and mind to do everything we can to make the burden less of a burden by virtue of the help and assistance which we can give to the mentally retarded through the measure that we are now considering.

Mr. Chairman, I am most happy to join with the distinguished chairman of the subcommittee of the Committee on Interstate and Foreign Commerce, the gentleman from Oklahoma [Mr. JARMAN] as well as the chairman of the full committee, the gentleman from West Virginia [Mr. STAGGERS] and, of course, our ranking Republican Member, the gentleman from Illinois [Mr. SPRINGER], as well as others who have been associated with the drafting of this legislation in support thereof.

Mr. Chairman, I would point out that our subcommittee a number of years ago, during the earliest days of the mental retardation program authorized the establishment of day care centers, and indicated that we thought it might be well and advisable to establish day care centers in some of our vacated country schools.

Mr. Chairman, I am proud to say that in my neighborhood, an area of less than 10 miles from the point of which I live, a four-room country school has been converted into a day care center where mentally retarded children are brought by their parents to a point where we have expertly trained mental health personnel to take care of them.

However, because they have made this move, this has unfortunately barred them from funds that might be made available at the present time. But I believe as time goes on we will work out some assistance to them in our district, and I believe they will be in the picture in the future.

Mr. SPRINGER. Mr. Chairman, would the gentleman yield?

Mr. NELSEN. I yield to my distinguished colleague.

Mr. SPRINGER. Mr. Chairman, I would like to commend the gentleman from Minnesota. He did not mention his own name a minute ago among those who have been vitally interested in this problem in our committee, but he has done a great job as the ranking Republican on the Subcommittee on Health.

I believe that, in view of the efforts that he has made, he certainly ought to

have commendation not only by me, but by every Member of this House. His interest has not only been just in this matter, but may I say it has been in depth and it has been very meaningful to the rest of us to have his ideas presented on this very important problem which he has been able to present to us.

Mr. Chairman, I thank the gentleman for yielding.

Mr. NELSEN. Mr. Chairman, I thank the gentleman for his comments.

Mr. Chairman, may I also point out that we learned in our investigation that one of the serious problems in this field was the lack of personnel. Many times facilities could be acquired for a very nominal amount of money, but getting the personnel and maintaining the personnel was the big problem. Under the terms of this bill there will be some assistance in staffing. I believe this is very important.

So, Mr. Chairman, today I may say, it gives me a great deal of satisfaction and pleasure to support this very important bill for a very good cause.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. Yes; I yield to my distinguished friend from West Virginia.

Mr. STAGGERS. Mr. Chairman, I thank the gentleman for yielding.

I take this time because I, too, would like to join with my colleague, the gentleman from Illinois [Mr. SPRINGER], in paying tribute to the gentleman in the well, because on matters not only on health, but on any matters that come before our committee, he is always one of the Members who is present, and he goes into the matter very thoroughly.

I know that on the subject of health the gentleman is vitally interested in improving the health of our Nation. The gentleman does a great job, and I want to commend him.

Mr. NELSEN. I thank the gentleman for his remarks.

Mr. STAGGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri.

Mr. HUNGATE. Mr. Chairman, I rise in support of this legislation, and strongly urge its passage. I commend our distinguished chairman and the ranking minority member, and all of the committee members, for bringing this measure to the floor.

Mr. STAGGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Hawaii [Mr. MATSUNAGA].

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 6430, the Mental Retardation Amendments of 1967.

This bill would extend through June 30, 1970, the programs under which matching Federal grants are made for the construction of university-affiliated retardation facilities and community mental retardation facilities. The bill would also establish a new program of matching grants following the same formula as set forth in the Community Mental Health Centers Act to help meet the cost of technical and professional personnel serving in community mental retardation facilities. This would fill one of the greatest needs in the mental retardation field.



I urge unanimous approval of H.R. 6430.

Mr. STAGGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Chairman, I congratulate the committee on this fine bill to improve our facilities to meet pressing national needs in the field of mental retardation.

Few bills before this Congress have more universal support in the country, or more solid justification.

I support the bill and urge its adoption.

Mr. SPRINGER. Mr. Chairman, I yield such time as she may consume to the gentleman from Washington [Mrs. MAY].

Mrs. MAY. Mr. Chairman, I rise to enthusiastically support H.R. 6430, to extend, expand, and improve our public health laws relating to mental retardation, and I wish to commend the members of the Committee on Interstate and Foreign Commerce for reporting to the House what I consider to be an outstanding piece of legislation.

It has been only in recent years that the public has come to recognize and appreciate the extent of mental retardation, and the steps that can and must be taken to help as many of the retarded as possible achieve decent and normal lives. A major step in that direction was taken by the Congress in October of 1963 in passing the Mental Retardation Facilities and Community Mental Health Centers Construction Act. Approval of the bill before us this afternoon will continue and improve that program.

My interest and activities on behalf of the mentally retarded began many years ago in the State of Washington, Mr. Chairman, where I was privileged to serve as a member of the Washington Association for Retarded Children. This interest commanded my attention as a member of the Washington State Legislature, and, of course, continues today.

I am hopeful, Mr. Chairman, that before too long we will see some scientific breakthrough to help reduce the incidence of mental retardation. This is our long-range goal. This bill could well help us reach that goal. And in the meantime, the legislation before us this afternoon will also enable us to make real progress in the advances begun not only by the Federal Government through the Mental Retardation Facilities and Community Mental Health Centers Construction Act, and prior Federal activities, but by the many fine organizations throughout the States who have contributed so much in leading the way to national recognition and attention to this problem.

I am pleased to urge approval of this bill.

Mr. SPRINGER. Mr. Chairman, I yield such time as he may consume to the gentleman from Nebraska [Mr. CUNNINGHAM], a member of the committee.

Mr. CUNNINGHAM. Mr. Chairman, I strongly support this legislation. I am not a member of the subcommittee that brought the bill to the full committee, but I know that committee worked hard and long.

This is an excellent piece of legislation and it will be of great benefit to the retarded children and to the communities that are trying to help these children throughout our Nation.

I strongly urge the passage of this bill.

Mr. SPRINGER. Mr. Chairman, I yield such time as he may consume to the gentleman from South Carolina [Mr. WATSON].

Mr. WATSON. Mr. Chairman, I thank my distinguished colleague, the minority leader on this committee, for yielding to me.

Mr. Chairman, I could take a long time in speaking on a subject that is very near and dear to my heart. I am not a member of the special subcommittee, but as a member of the full committee I am happy that we have reported this bill out; that finally we are really getting to the heart of this particular problem.

I am sure the bill will pass without opposition. I trust that it will. Those who are not familiar with the problems of retardation, I believe, had they traveled with me a few years ago when I had the privilege of serving as the president of the first Community Center for the Retarded Children in Columbia, S.C., they certainly would support this legislation.

This is a phase of health that has been too long ignored and overlooked by the American people. I was not aware how serious the problem was until we got involved.

Mr. Chairman, when you discover that even neighbors are not aware of the fact that only four or five doors removed from their very own house, there may be a retarded child whom they have not seen for maybe as long as 6 or 8 years because the family was forced to keep that child hidden, I can assure you that there is no more rewarding and no more inspired program than such a program as this in the field of mental retardation.

Mr. Chairman, I commend our able chairman for the direction he has given in this field and our minority leader, and all of the members on our committee.

Mr. SPRINGER. Mr. Chairman, I yield such time as he may consume to my colleague on the committee, the gentleman from Kentucky [Mr. CARTER].

Mr. CARTER. Mr. Chairman, I rise in support of this bill. I certainly want to compliment the subcommittee chairman, the distinguished gentleman from Oklahoma [Mr. JARMAN], the minority ranking member, the gentleman from Minnesota [Mr. NELSEN] and also the committee chairman and our ranking member, the distinguished gentleman from Illinois.

They have certainly worked together and brought out a bill which will be extremely helpful to the afflicted children throughout our country.

In Kentucky it has been unfortunate that many of these afflicted children have not been privileged to have institutional care and training as they should have. This bill will make such care and training possible and many children who have otherwise been denied benefits that can be obtained will now receive this training.

Mr. SPRINGER. Mr. Chairman, I yield such time as he may consume to

my colleague on the committee, the gentleman from Tennessee [Mr. KUYKENDALL].

Mr. KUYKENDALL. Mr. Chairman, I rise in support of this legislation.

Mr. Chairman, I want to commend the chairman and the ranking minority member as well as the members of the subcommittee.

I want to point out here that probably more than any area of distress that we discuss in this Congress, this particular misfortune strikes at every race, creed, color, and economic strata, and indeed every corner of our great Nation.

Even though we give particular attention to the care of the less fortunate in our society, this is one disease which even those who are somewhat fortunate find themselves unable to cope with because of lack of knowledge and through lack of experience in the entire field. So I think not only can we enable the less fortunate to be able to care properly for these retarded children and retarded adults, but I think we are going to see also great progress in the area of research aimed at developing new methods in this entire field which will allow many parts of our communities to benefit from this piece of legislation.

Mr. Chairman, I urge that this legislation be passed.

Mr. SPRINGER. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. HALPERN].

Mr. HALPERN. Mr. Chairman, I rise today in enthusiastic support of H.R. 6430, and urge the House to give its overwhelming support to this long-overdue and much-needed program to attack the problem of mental retardation.

This subject has been one of continuing legislative concern to me, first through New York State programs I offered as a member of the State senate, and later through proposals I have advocated as Member of this House.

H.R. 6430 embodies many of my objectives through the years and I am privileged to have cosponsored it. I commend the legislation and trust that it will win strong bipartisan approval.

Nearly 6 million of our citizens—3 percent of our population—are afflicted with mental retardation. One-half of these are children. It is one of the most heart-breaking health problems in our country today.

An estimated 126,000 babies born this year will be found to be mentally retarded at some time in their lives. About 400,000 persons are so seriously mentally handicapped that they require constant care or supervision, and more than 200,000 of these are in residential institutions.

Only four diseases—mental illness, cardiac disease, arthritis and cancer—have a higher prevalence, and they normally occur late in life. Mental retardation strikes early. In terms of human misery and lost productivity, the cost of retardation is very high.

To attack the problem of mental retardation, the States need a comprehensive program of services. Many of the retarded can benefit from programs of education, training and vocational reha-

bilitation. According to Dr. George Tarjan of the President's Committee on Mental Retardation, 85 percent of the retarded of school age qualify as "educable" and 12 percent as "trainable." Upon completion of a program, they can be wholly or at least partially self-supporting.

In the absence of these services, however, the mentally retarded person is denied the opportunity fully to develop his potential for contributing to our society.

The legislation before us, identical with my own bill, insures a continued intensive effort to provide the necessary programs and services for the treatment of the mentally retarded.

H.R. 6430 would extend the construction programs for university-affiliated and community mental retardation facilities which were first authorized under the Mental Retardation Facilities Construction Act of 1963. In addition, it would provide Federal support for the initial staffing of these community facilities, thus helping to overcome the critical shortage of competent staff.

The university-affiliated clinical facilities provide training for badly needed professional personnel and a full range of inpatient and outpatient services. In the 14 facilities already funded under the 1963 legislation, about 10,000 professionals each year will receive training in diagnosis and treatment, education, training and care of the mentally retarded. The community facilities are designed to provide a wide range of similar services, including diagnosis, residential care, and vocational training. As of July 1967, 167 construction projects had been funded. These facilities will provide care for over 35,000 persons and will help to shorten the long admittance waiting lists. Much more, however, remains to be done. In 1962 the President's Panel on Mental Retardation reported a need for day and residential facilities to accommodate over 200,000 patients. H.R. 11972 would extend these important programs so that they could reach a greater portion of the mentally retarded in our population.

Mr. Chairman, I talk today from long experience in the field of mental health. As a State senator in the New York Legislature, I sponsored legislation to reorganize and modernize the State's mental health program. As a Member of Congress, I have consistently sponsored efforts to expand and render more effective both State and national mental health programs, including the prevention and treatment of mental retardation. We have made some significant progress in the past 4 years but we still have a long way to go. Mental retardation will continue to be a pressing problem and we must see that the facilities and services to adequately treat this affliction are available. The mentally retarded have been dealt a harsh hand in life. We are the fortunate; they are not. It is our responsibility to give them a chance to live happily and productively, as we do. I urge a resounding approval for this bill.

Mr. SPRINGER. Mr. Chairman, I yield such time as he may consume to

the gentleman from Alabama [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Chairman, I join in strong support of this meritorious legislation and commend the members of this distinguished committee for bringing it to the floor of the House. One of every 600 children born into this world is a retardate. This was for too many years a neglected national need, save for the work of aid for retarded children and like distinguished private efforts. This is one area of Federal participation which we can all applaud and on which we can all agree. I urge the unanimous passage of H.R. 6430 by this body.

Mr. SPRINGER. Mr. Chairman, I yield such time as he may consume to my distinguished colleague, the gentleman from Wisconsin [Mr. SCHADEBERG].

Mr. SCHADEBERG. Mr. Chairman, I rise in support of this bill and highly commend the committee for the excellent work it has done in bringing it to the floor of the House.

I wish also to remind my colleagues of the dedicated work of many citizens who have pioneered in this field in their respective local areas. They have worked against many odds and have sacrificed much in terms of time and effort and money to help the retarded child. Their efforts and contributions should not be forgotten or overlooked as we take this action today. I just wanted to take this time to thank them.

Mr. SPRINGER. Mr. Chairman, I have no further requests for time. I reserve the balance of my time.

Mr. STAGGERS. Mr. Chairman, I yield whatever time he may require to our distinguished majority leader, the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, I take this time to commend the committee for bringing to the floor this needed and humanitarian legislation. I desire particularly to commend my distinguished colleague, the gentleman from Oklahoma [Mr. JARMAN], chairman of the subcommittee for the outstanding job he has done on this bill. No more worthy measure has ever come to the House. I hope, trust, and believe it will pass the House unanimously. It will be of tremendous help to people who need help the most. It will benefit the entire Nation.

Mr. STAGGERS. Mr. Chairman, I yield whatever time he might require to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, I rise in strong support of H.R. 6430, the Mental Retardation Amendments of 1967.

In October 1963 Congress enacted the Mental Retardation Facilities and Community Mental Health Centers Construction Act. That was a major step forward in easing the burden that mental retardation places upon our Nation—each family and person affected.

The need for facilities for the mentally retarded will continue to be greater than those available, but today we have the opportunity to supplement the 1963 act and to help close the gap.

A specific provision of the bill before us authorizes the paying a portion of the

costs of professional and technical personnel for facilities for the mentally retarded. Under this program, the assistance will be in the same proportions as is provided for the costs of staffing under the 1963 Community Mental Health Centers Act, with up to 75 percent of the costs being covered for the first 15 months; 60 percent for the next 12 months; 45 percent for the next 12 months; and 30 percent for the next 12 months, with no Federal contribution thereafter.

The costs covered are limited to the costs of new services at existing facilities, or services at new facilities. It is the intent of this bill that after the initial Federal support, the State, local, and private funds will cover the costs of services.

Under the 1963 act we provided for part of the cost of staffing of the community mental health facilities. I think now we can and should provide for part of the cost for staffing new facilities for the care of the mentally retarded.

Mr. STAGGERS. Mr. Chairman, I yield whatever time he might require to the gentleman from Texas [Mr. PICKLE], a member of the committee.

Mr. PICKLE. I thank the Chairman very much.

Mr. Chairman, I rise in support of this legislation. I also wish to ask the chairman of the subcommittee a couple of questions on points which have been referred to me since the bill was reported out of the committee. They were referred to me by officials in my State of Texas.

One question was with respect to section 2 of this particular bill. That is the portion of the bill dealing with the university-affiliated mental retardation clinical facilities. Those officials feel that an amendment could hopefully be added in the other body which would permit a portion of the available construction money to be used for planning purposes. I realize that this proposal was not mentioned in the subcommittee or in the committee as a whole. But I would hope that this would be a matter that would be brought to the attention of the other body.

Mr. JARMAN. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Oklahoma.

Mr. JARMAN. I certainly wish to verify that the proposal was not made to the committee in time for us to consider it during the hearings or in the committee consideration of the bill, and that it would be a subject which would have to be considered in the other body at this stage in the legislative process.

Mr. PICKLE. I thank the gentleman very much. The other question was with reference to authorizing an administrative cost allotment to the particular State agency which administered these funds. Under the Hill-Burton program there is an administrative cost allotment available to the agency which administered that particular program, and it is pointed out that this might likewise well be a good amendment for this particular program. In neither instance would it increase the cost of moneys being made available, but it would in one instance allow funds to be used for planning pur-



poses, and also in the second instance allow administrative cost allotments to the agencies which administer the program. I hope very much that this will be brought to the attention of the other body since these facts were not made known to the committee when they were deliberating, but at a later point they might be considered over there.

Mr. JARMAN. If the gentleman will yield further, I respond in exactly the same vein as I did to the first proposal of the gentleman, and I join in the hope that the other body will give these proposals consideration.

Mr. PICKLE. I thank the gentleman very much. I understand the position of the committee. The suggested amendments are new points brought to the attention of the committee, and I think if the committee had them earlier, they might well have included them in this particular legislation. Hopefully they might be considered on the other side.

Mr. BROYHILL of Virginia. Mr. Chairman, I am happy to support H.R. 6430, which adds to the development of the concept that many of us in Congress had when we enacted the Mental Retardation Facilities and Community Health Centers Construction Act in 1963. In the 4 years which have passed since the enactment of that legislation, 167 projects for construction of community facilities for the mentally retarded have been funded at a total cost of \$107 million. The Federal share representing less than 30 percent of this total has activated real progress in the several States. Additionally, there have been 12 projects funded for the construction of mentally retarded research centers and 14 university-affiliated facilities.

In my own State, three projects have been approved, the first which is the Joseph Willard Health Center located in Fairfax, Va., will serve 72 mentally retarded patients at any given time; the George Mason Center located in Arlington, Va., which will have facilities for 13 additional patients and the facility will be improved substantially in other ways. Finally, the Woodrow Wilson Rehabilitation Center located at Fishersville, Va., has received nearly \$350,000, about one-half of which were Federal funds. All of these facilities will serve Virginia's share of the nearly 3 percent of our population who fall in that category known to be our mentally retarded whose IQ's lie in the range from 0 to 67.

We must recognize that approximately 126,000 children born each year will be considered mentally retarded at some time or other in their lives and these people deserve to be given a chance to improve their lot and to live with some degree of normalcy in our society.

Mr. DONOHUE. Mr. Chairman, I must earnestly urge and hope that this House will swiftly and unanimously approve this measure before us, the Mental Retardation Amendments of 1967.

The principal purpose of this bill is to amend the existing Mental Retardation Facilities and Community Mental Health Centers Construction Act in order to extend through June 30, 1970, the programs under which matching grants are made for the construction of university-affili-

ated mental retardation facilities and community mental retardation facilities, and second, establish a new program of matching grants following the same formula as set out in the Community Mental Health Centers Act to help meet the cost of technical and professional personnel serving in community mental retardation facilities.

Mr. Chairman, when we were considering, 4 years ago here in the House, the original legislation being extended by this measure, I advocated and recommended, then, the inclusion and adoption of provisions to permit the adequate staffing of the research centers and facilities involved and I did so for the simple reason that the best facilities in the world cannot be used or put to maximum benefit unless and until they are adequately staffed by professionally trained people and this is obviously and particularly true in the specialized field of mental health.

I am, therefore, very deeply pleased that this major objective is being carried out in this proposal before us. The proper and modern care for and treatment of the mentally retarded is a national concern. I believe we have come to the point in our history where our national concern should be vigorously pursued and this measure is the substantial means by which we can accelerate that pursuit.

Thankfully we have, in these last few years, been undergoing a near revolution in the advanced professional and technological care of the mentally ill. Methods of treatment and care have drastically changed in modern times and they require new types of university-affiliated research facilities and community-based hospital facility with adequate staffing. In order to speedily get under construction these vitally needed new research and treatment facilities, a further financial impetus is urgent and it is quite generally agreed among the authorities that Federal matching grants is the best way to expedite this construction program.

Our various States have done a remarkable job in their war against mental retardation and illness and I am certain there is no intention, now, on the part of any State to reduce this effort, but they need additional assistance to effectively carry on and they need it fast. I urge my colleagues, therefore, to approve this bill, in the national interest, without delay.

Mr. MOORHEAD. Mr. Chairman, I rise in support of H.R. 6430, the Mental Retardation Amendments of 1967, which will provide additional funds to construct badly needed facilities, and help to pay for the highly skilled professional care needed for a very special group of Americans. These are the mentally retarded, estimated to be about 6 million persons in the United States today.

We know a great deal more about the mentally retarded since President Kennedy established a Panel on Mental Retardation in 1961, but much remains to be done—particularly in the field of research—because no one still knows just what causes mental retardation. And we need more technical and professional personnel, because this group of people require so many specialized services.

Help is also needed to make mental retardation services available to all of the people, those living in low-income neighborhoods, as well as those who are better off.

More specifically, I would like to speak about Allegheny County, Pa., where my congressional district is located. At the present time, according to State estimates, 1 percent of the population of Allegheny County are mentally retarded. This represents over 16,000 people. Although there are some facilities which provide services to include the mentally retarded, only half of these are of a residential nature; the others provide diagnostic and evaluation services on an out-patient basis only, and also provide treatment for other types of mental illness as well as mental retardation. Most are run by private agencies. It is incredible that there is no public facility for mental retardation in the city of Pittsburgh, or in Allegheny County, with a population of over 1,628,000. The nearest facility is located in Canonsburg, Pa., in neighboring Washington County.

There is a crying need in Allegheny County for a comprehensive, residential rehabilitation facility which could employ the latest techniques to evaluate and treat the mentally retarded individual, with particular emphasis on the preschool and school-age child, for this is the critical time when he can be made more adaptable to society. This is the time to determine a child's maximum developmental level; in many cases, if properly found and evaluated in time, he will not need custodial care. The emphasis, then, could be on keeping people out of institutions, rather than trying to get them in. The city of Pittsburgh, which has five universities where high-level training programs for devoted careerists necessary to work with the mentally retarded could be employed, would be a logical location for such a facility.

Mr. Chairman, anyone who has ever tried to assist a family in securing care for a mentally retarded child knows the misery that can be caused to the whole family by a long institutional waiting list. Mental retardation is an urgent national, social, educational, and health problem. I urge immediate passage of this legislation in the hope that it will bring to Pittsburgh and Allegheny County, and to similar communities the type of special, intensive, personal program for the mentally retarded which is so vital today.

Mr. BOLAND. Mr. Chairman, I rise in favor of H.R. 6430, a bill to amend the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, to extend through June 30, 1970, the programs under which matching grants are made for the construction of university-affiliated mental retardation facilities and community mental retardation facilities, and to establish a new program of matching grants following the same formula as set out in the 1963 act to help meet the cost of technical and professional personnel serving in community mental retardation facilities.

The Mental Retardation Facilities and Community Mental Health Centers Con-

struction Act of 1963 embodies the substance of two bills I introduced in the 88th Congress, H.R. 4622 and H.R. 4623, filed on March 7, 1963, and based on the recommendations of our late beloved President John Fitzgerald Kennedy to launch a major national effort in behalf of the mentally ill and retarded. My bills contained provisions for staffing community mental health centers, but these sections were not included in the final version of the legislation when it reached the floor on September 10, 1963.

Mr. Chairman, I am pleased that the amendments before us today establishes this program for the first time, providing for Federal assistance in paying a portion of the costs of professional and technical personnel for facilities for the mentally retarded as recommended by President Kennedy in 1963. Under this program, the assistance will be in the same proportions as is provided for the costs of staffing under the Community Mental Health Centers Act, with up to 75 percent of the costs being covered for the first 15 months, 60 percent for the next 12 months, 45 percent for the next 12 months, and 30 percent for the next 12 months, with no Federal contribution thereafter.

The costs covered are limited to the costs of new services at existing facilities, or services at new facilities. The purpose of this program is to stimulate the construction of new facilities which otherwise might not be able to be constructed because of difficulties with initial staffing, or in the case of existing facilities, to stimulate the initiation of new services at these facilities. It is intended, as the gentleman from West Virginia, Chairman HARLEY STAGGERS, points out in the report filed by the House Committee on Interstate and Foreign Commerce, that after the initial 51 months of support, the Federal assistance will terminate and thereafter State, local, and private funds will cover the costs of services.

With respect to the programs of matching grants for the construction of university-affiliated facilities, this bill provides for the extension of the present program which expired June 30, 1967, for 3 additional years, or until June 30, 1970, with authorization for appropriations of \$10 million for fiscal year 1968, and \$20 million each for fiscal years 1969 and 1970. These funds may be used to pay up to three-fourths of the costs of construction of facilities providing a full range of inpatient and outpatient services for the mentally retarded and facilities which will aid in demonstrating provision of specialized services for the diagnosis and treatment, education, training, or care of the mentally retarded or in the clinical training of physicians and other specialized personnel needed for research, diagnosis and treatment, education, training or care of the mentally retarded.

Mr. Chairman, another program initially established in 1963 and extended under this legislation is the program of construction of facilities for the care of the mentally retarded. Under the 1963 act, appropriations are allocated among the States on the basis of their population, the extent of the need for facilities for the mentally retarded, and the finan-

cial need of the respective States. The State is required to establish a State plan for construction of facilities, and the determination of priorities within the State is determined by the State agency in accordance with the State plan.

The funds allotted to a State may be used to pay part of the cost of construction of facilities for the mentally retarded, defined as a facility specially designed for the diagnosis, treatment, education, training, or supportive care of the mentally retarded. This program, which is scheduled to expire on June 30, 1968, is extended for 2 additional years under this bill, to June 30, 1970.

Mr. Chairman, I urge favorable House action on H.R. 6430, the Mental Retardation Amendments of 1967.

Mr. FASCELL. Mr. Chairman, I would like to add my strong and unqualified support to the Mental Retardation Amendments of 1967, H.R. 6430.

Most of us recall the passage in 1963 of the Mental Retardation and Community Mental Health Centers Construction Act—hailed as a breakthrough in our approach and treatment of the mentally ill. The bill was an attempt, strongly supported by President Kennedy, to deal with mental retardation on the basis of modern medicine, research, and treatment, and to do away with the stigma so long attached to the critical and unfortunate problem of the mentally disturbed and their families.

That act, as we all know, has made possible great advances in the field. Over 167 projects have been funded for the construction of community facilities for the mentally retarded; 12 projects have been funded for the construction of mental retardation research centers; and 14 university-affiliated facilities for the mentally retarded have been assisted.

Yet much remains to be done. As the committee has reported to us:

Experts in the field of mental retardation still do not anticipate any immediate or substantial reduction in the number of families who will each year bear the burden of mental retardation.

And today, there is a waiting list of applicants for admission to public residential facilities of 31,509. In most States, people stay on the list about 2 years, and in some, as long as 5 or 6 years. Furthermore, we are told that this waiting list represents only approximately one-third of the mentally retarded in need of help.

In my own State of Florida, in June of 1967, there was a waiting list of 1,456 as compared with the 4,000 who were already receiving treatment. Of those waiting, 45 were listed as "critical emergencies," and 292 as "active urgent." We must continue our program of assistance and make available the necessary care for all who are in need.

Today's bill introduces a new program to help meet the cost of technical and professional personnel serving in community mental retardation facilities. This is, of course, an integral element in the overall program, and I urge all my colleagues to give their strong and full support to this provision and the bill in its entirety.

Mr. TIERNAN. Mr. Chairman, I wish to commend the Committee on Interstate and Foreign Commerce and the Health Subcommittee for the excellent mental retardation legislation which it brought before the House. Great progress has been made recently in the field of mental retardation, and this legislation will provide continued Federal support for programs to attack a condition which afflicts over 6,000,000 Americans.

H.R. 6430 as passed by the House provides \$160,000,000 for a 3-year program of grants for the construction of university-affiliated and community facilities for the care and treatment of mentally retarded. It also provides for the establishment of a new program of staffing grants, and authorizes a total of \$86,500,000 for this purpose. This authority is patterned after the staffing provisions in the community mental health legislation and is designed to help communities pay a portion of the cost of professional and technical personnel for their facilities.

The programs contained in this legislation offer a challenge and a stimulus to States and communities to continue their efforts in meeting the particular needs of the mentally retarded. Under existing legislation, my own home State of Rhode Island has begun construction of two community facilities which, when completed, will serve over 1,100 mentally retarded. And we hope to make even greater gains under H.R. 6430 which the House has unanimously endorsed.

All of us recognize that mental retardation is a difficult and complex affliction, with varied causes and resulting handicapping conditions. There are those children who are so severely retarded that they cannot survive unless constantly cared for and sheltered. On the other hand, there are those whose handicapped condition allows them to adjust in a limited way to the demands of society and to play a positive role in gainful employment. To these persons, we must provide a wide range of services which will enable them to function as fully as possible at their particular levels of adaptive behavior.

This we must do for persons who have already been diagnosed as mentally retarded. However, we must continue our efforts to prevent mental retardation. Under existing legislation, 12 research centers were constructed to provide the facilities and resources necessary for a major attack on the problems of mental retardation across a broad front of research involving all major disciplines including the biomedical, behavioral, social and educational sciences. The development of these 12 centers has provided new opportunities for cross-disciplinary research; created mechanisms for coordinated research efforts by many investigators; and provided new and expanded training programs and resources for training research investigators for work in the field of mental retardation.

It is encouraging to see considerable achievements in the field of mental retardation. Much remains to be done, however.

It would be impossible to discuss programs for the mentally retarded without mentioning the late John E. Fogarty,



whose distinguished service to the health needs of this country earned him the Nation's gratitude and admiration while he lived and deepest sorrow when he died.

No one had a greater concern for the problems of the retarded than my distinguished predecessor, John E. Fogarty. As chairman of the Subcommittee on Labor and HEW Appropriations, Mr. Fogarty showed a deep interest in the problems of the retarded, securing through his committee efforts, funds to launch the original mental retardation legislation passed in 1965, Public Law 89-105.

The House has honored his memory as well as served a critical health need of the Nation by passing this legislation.

Mr. STAGGERS. Mr. Chairman, we have no further requests for time.

Mr. SPRINGER. Mr. Chairman, I yield to the gentleman from California [Mr. DON H. CLAUSEN] such time as he might require.

Mr. DON H. CLAUSEN. Mr. Chairman, I rise in enthusiastic support of this legislation, which is designed to improve existing legislation in the mental health field.

Certainly no one should question the need for this legislation. The technical and professional personnel serving community mental retardation facilities are definitely needed, and this kind of program will encourage qualified people to participate and assist administering agencies in acquiring and keeping competent personnel in this vital field.

Obviously, we are striving to help the mentally retarded and their families help themselves toward a life of normalcy and decency which is understandably difficult at best.

With over 6 million families affected, plus the impact on the communities where these people reside, we can do no less than encourage the training of qualified personnel through programs such as this.

Having visited the mental hospitals of my congressional district, I can tell you it leaves a strong impression and encourages one to do everything medically, psychologically, and therapeutically possible to be of help to these people.

The neuropsychiatric field is indeed a challenging one and deserving of our strong support.

The university-affiliated portion of the bill will permit the maximum in research and training personnel for treating persons neurologically handicapped.

This is a humanitarian gesture that will put this Congress and its Members solidly on the side of the concerned and considerate constituency of this Nation. I commend the committee for presenting a good and fair bill. I hope the House will adopt these mental retardation facilities and Community Health Centers Construction Act amendments overwhelmingly.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this*

Act may be cited as the "Mental Retardation Amendments of 1967".

#### GRANTS FOR CONSTRUCTION OF UNIVERSITY-AFFILIATED MENTAL RETARDATION CLINICAL FACILITIES

SEC. 2. (a) The first sentence of section 121 of the Mental Retardation Facilities Construction Act (42 U.S.C. 2661) is amended by striking out "and \$10,000,000 each for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967" and inserting in lieu thereof "\$10,000,000 each for the fiscal year ending June 30, 1966, the fiscal year ending June 30, 1967, and the fiscal year ending June 30, 1968, and such sums as may be necessary for the next four fiscal years."

(b) Such sentence is further amended by inserting "(which, for purposes of this part, includes other neurological handicapping conditions found by the Secretary to be sufficiently related to mental retardation to warrant inclusion in this part)" after "the mentally retarded" the first time it appears therein, and by inserting "including research incidental or related to any of the foregoing activities," before "there are authorized to be appropriated."

(c) Section 125 of such Act (42 U.S.C. 2665) is amended by striking out "four", and by striking out "June 30, 1967" and inserting in lieu thereof "June 30, 1972".

#### GRANTS FOR CONSTRUCTION OF COMMUNITY FACILITIES FOR THE MENTALLY RETARDED

SEC. 3. (a) Section 131 of the Mental Retardation Facilities Construction Act (42 U.S.C. 2671) is amended by striking out "and \$30,000,000 for the fiscal year ending June 30, 1968" and inserting in lieu thereof "\$30,000,000 for the fiscal year ending June 30, 1968, and such sums as may be necessary for the next four fiscal years."

(b) Section 137 of such Act is amended by striking out "four", and by striking out "1968" and inserting in lieu thereof "1972".

#### GRANTS FOR THE STAFFING OF COMMUNITY MENTAL RETARDATION FACILITIES

SEC. 4. The Mental Retardation Facilities Construction Act is further amended (1) by amending the heading thereof to read "TITLE I—FACILITIES FOR THE MENTALLY RETARDED", and (2) by adding at the end thereof the following new part:

#### "PART D—GRANTS FOR THE COST OF PROFESSIONAL AND TECHNICAL PERSONNEL OF COMMUNITY MENTAL RETARDATION FACILITIES

##### "AUTHORIZATION OF GRANTS

"SEC. 141. (a) For the purpose of assisting in the establishment and initial operation of facilities for the mentally retarded providing all or part of a program of comprehensive services for the mentally retarded principally designed to serve the needs of the particular community or communities in or near which the facility is situated, the Secretary may, in accordance with the provisions of this part, make grants to meet, for the temporary periods specified in this section, a portion of the costs (determined pursuant to regulations under section 144) of compensation of professional and technical personnel for the initial operation of new facilities for the mentally retarded or of new services in facilities for the mentally retarded.

"(b) Grants for such costs for any facility for the mentally retarded under this part may be made only for the period beginning with the first day of the first month for which such a grant is made and ending with the close of four years and three months after such first day; and such grants with respect to any such facility may not exceed 75 per centum of such costs for the period ending with the close of the fifteenth month following such first day, 60 per centum of such costs for the first year thereafter, 45 per centum of such costs for the second year thereafter, and 30 per centum of such costs for the third year thereafter.

"(c) In making such grants, the Secretary shall take into account the relative needs of the several States for services for the mentally retarded, their relative financial needs, and their populations.

#### "APPLICATIONS AND CONDITIONS FOR APPROVAL

"SEC. 142. (a) Grants under this part with respect to any facility for the mentally retarded may be made only upon application, and only if—

"(1) the applicant is a public or nonprofit private agency or organization which owns or operates the facility;

"(2) (A) a grant was made under part C of this title to assist in financing the construction of the facility or (B) the type of service to be provided as part of such program with the aid of a grant under this part was not previously being provided by the facility with respect to which such application is made;

"(3) the Secretary determines that there is satisfactory assurance that Federal funds made available under this part for any period will be so used as to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds for mental retardation services that would in the absence of such Federal funds be made available for (or under) the program described in paragraph (2) of this subsection, and will in no event supplant such State, local, and other non-Federal funds; and

"(4) in the case of an applicant in a State which has in existence a State plan relating to the provision of services for the mentally retarded, the services to be provided by the facility are consistent with the plan.

"(b) No grant may be made under this part after June 30, 1972, with respect to any facility for the mentally retarded or with respect to any type of service provided by such a facility unless a grant with respect thereto was made under this part prior to July 1, 1972.

#### "PAYMENTS

"SEC. 143. Payment of grants under this part may be made (after necessary adjustment on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and on such terms and conditions and in such installments, as the Secretary may determine.

#### "REGULATIONS

"SEC. 144. The Secretary shall prescribe general regulations concerning the eligibility of facilities under this part, determination of eligible costs with respect to which grants may be made, and the terms and conditions (including those specified in section 142) for approving applications under this part.

#### "AUTHORIZATION OF APPROPRIATIONS

"SEC. 145. There are authorized to be appropriated \$7,000,000 for the fiscal year ending June 30, 1968, and such sums as may be necessary for the next four fiscal years, to enable the Secretary to make initial grants to facilitate for the mentally retarded under the provisions of this part. For the fiscal year ending June 30, 1969, and each of the next seven years, there are authorized to be appropriated such sums as may be necessary to make grants to such facilities which have previously received a grant under this part and are eligible for such a grant for the year for which sums are being appropriated under this sentence.

SEC. 5. Paragraph (7) of section 134 of the Mental Retardation Facilities Construction Act (42 U.S.C. 2674), is amended by inserting before the semicolon at the end thereof "and, effective July 1, 1969, provide for enforcement of such standards with respect to projects approved by the Secretary under this part after June 30, 1967."

Mr. STAGGERS (interrupting the reading). Mr. Chairman, I ask unani-

mous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The CHAIRMAN. The Clerk will report the first committee amendment.

Mr. STAGGERS. Mr. Chairman, I ask unanimous consent that the committee amendments be considered as read and be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The committee amendments are as follows:

On page 2, line 5, strike out "and such sums as may be necessary for the next four fiscal years" and insert "and \$20,000,000 each for the fiscal year ending June 30, 1969, and the fiscal year ending June 30, 1970".

On page 2, line 19, strike out "1972" and insert "1970".

On page 3, line 1, strike out "for the fiscal year ending June 30, 1968, and such sums as may be necessary for the next four fiscal years" and insert "each for the fiscal year ending June 30, 1968, and the fiscal year ending June 30, 1969, and \$50,000,000 for the fiscal year ending June 30, 1970".

On page 3, line 8, strike out "1972" and insert "1970".

On page 6, line 4, strike out "1972" and insert "1970".

On page 6, line 20, strike out "and such sums as may be necessary for the next four fiscal years," and insert "\$10,000,000 for the fiscal year ending June 30, 1969, and \$14,000,000 for the fiscal year ending June 30, 1970".

On page 7, line 2, strike out "seven" and insert "five".

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GALLAGHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6430) to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes, pursuant to House Resolution 922, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SPRINGER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there

were—yeas 389, nays 0, not voting 43, as follows:

[Roll No. 267]

YEAS—389

Abbitt	Duncan	Kleppe
Abernethy	Dwyer	Kluczynski
Adair	Eckhardt	Kornegay
Addabbo	Edmondson	Kufnerman
Albert	Edwards, Ala.	Kuykendall
Anderson, Ill.	Edwards, La.	Kyl
Anderson, Tenn.	Ellberg	Kyros
Andrews, Ala.	Erlenborn	Laird
Andrews, N. Dak.	Esch	Landrum
Annuizio	Eshleman	Langen
Arendis	Evans, Colo.	Lennon
Ashbrook	Everett	Lipson
Ashley	Evins, Tenn.	Lloyd
Ashmore	Farbstein	Long, La.
Ayres	Fascell	Long, Md.
Barrett	Findley	Lukens
Bates	Fino	McCarthy
Battin	Fisher	McClary
Bell	Flood	McClure
Bennett	Flynt	McDade
Berry	Foley	McDonald,
Betts	Ford, Gerald R.	Mich.
Bevill	Ford,	McEwen
Biester	William D.	McFall
Bingham	Fraser	McMillan
Blanton	Frelinghuysen	Macdonald,
Boggs	Friedel	Mass.
Boland	Fulton, Pa.	Machen
Bolling	Fulton, Tenn.	Madden
Boiton	Fuqua	Mahon
Bow	Gallifanakis	Mailhard
Brademas	Gallagher	Marsh
Brasco	Gathings	Martin
Bray	Gettys	Mathias, Calif.
Brock	Glaime	Matsunaga
Brooks	Gibbons	May
Brotzman	Gilbert	Mayne
Brown, Calif.	Gonzalez	Meeds
Brown, Mich.	Goodell	Meskill
Brown, Ohio	Gooding	Michel
Broyhill, N.C.	Gray	Miller, Calif.
Broyhill, Va.	Green, Oreg.	Miller, Ohio
Buchanan	Green, Pa.	Mills
Burke, Fla.	Griffiths	Minish
Burke, Mass.	Gross	Mink
Burleson	Guber	Minshall
Burton, Calif.	Gude	Monagan
Burton, Utah	Gurney	Montgomery
Bush	Hagan	Moore
Button	Haley	Moorhead
Byrne, Pa.	Hall	Morgan
Byrnes, Wis.	Halleck	Morris, N. Mex.
Cabell	Halpern	Morse, Mass.
Cahill	Hamilton	Morton
Carey	Hammer-	Mosher
Carter	schmidt	Moss
Casey	Hanley	Multer
Cederberg	Hanna	Murphy, Ill.
Celler	Hansen, Idaho	Myers
Chamberlain	Hansen, Wash.	Natcher
Clancy	Hardy	Nedzi
Clark	Harsha	Nelsen
Clausen,	Harvey	Nichols
Don H.	Hathaway	Nix
Clawson, Del.	Hawkins	O'Hara, Ill.
Cleveland	Hechler, W. Va.	O'Konski
Cobelan	Heckler, Mass.	Olsen
Collier	Helstoski	O'Neal, Ga.
Colmer	Henderson	O'Neill, Mass.
Conable	Hollifield	Ottinger
Conyers	Horton	Passman
Corbett	Hosmer	Patman
Cowger	Howard	Patten
Cramer	Hull	Pelly
Culver	Hungate	Perkins
Cunningham	Hunt	Pettis
Curtis	Hutchinson	Philbin
Daddario	Ichord	Pickle
Daniels	Irwin	Pike
Davis, Ga.	Jacobs	Pirnie
Davis, Wis.	Jarman	Poage
Dawson	Joelson	Poff
de la Garza	Johnson, Calif.	Pollock
Delaney	Johnson, Pa.	Pool
Dellenback	Jonas	Price, Ill.
Denney	Jones, Ala.	Price, Tex.
Dent	Jones, Mo.	Pryor
Dewine	Jones, N.C.	Furcell
Dickinson	Karsten	Quile
Diggs	Karth	Quillen
Dingell	Kastenmeier	Railsback
Dole	Kazen	Randall
Donohue	Kee	Rees
Dow	Keith	Reid, Ill.
Dowdy	Kelly	Reid, N.Y.
Downing	King, Calif.	Reifel
Dulski	King, N.Y.	Reinecke
	Kirwan	Resnick
		Reuss

Rhodes, Ariz.  
Rhodes, Pa.  
Riegle  
Rivers  
Roberts  
Robison  
Rodino  
Rogers, Colo.  
Rogers, Fla.  
Roman  
Rooney, N.Y.  
Rooney, Pa.  
Rosenthal  
Rostenkowski  
Roth  
Roudebush  
Roush  
Roybal  
Rumsfeld  
Ruppe  
Ryan  
St. Germain  
St. Onge  
Sandman  
Saylor  
Schadeberg  
Schler  
Schueer  
Schneebell  
Schweiker  
Schwengel  
Scott  
Selden  
Shipley

Shriver  
Sikes  
Sisk  
Skubitz  
Slack  
Smith, Calif.  
Smith, Iowa  
Smith, N.Y.  
Smith, Okla.  
Snyder  
Springer  
Stafford  
Staggers  
Stanton  
Steed  
Steiger, Ariz.  
Steiger, Wis.  
Stephens  
Stratton  
Stubblefield  
Stuckey  
Sullivan  
Taft  
Talcott  
Taylor  
Teague, Calif.  
Teague, Tex.  
Thompson, Ga.  
Thompson, N.J.  
Thomson, Wis.  
Tiernan  
Tuck  
Udall  
Ullman

Van Deerlin  
Vander Jagt  
Vanik  
Vigorito  
Waggonner  
Waldie  
Walker  
Wampler  
Watkins  
Watts  
Whalen  
Whalley  
White  
Whittener  
Whitten  
Widnall  
Wiggins  
Williams, Miss.  
Williams, Pa.  
Wilson  
Charles H.  
Winn  
Wright  
Wydler  
Wylie  
Wyman  
Yates  
Young  
Zablocki  
Zion  
Zwack

NAYS—0

NOT VOTING—43

Adams  
Aspinall  
Baring  
Belcher  
Blackburn  
Blatnik  
Brinkley  
Broomfield  
Conte  
Corman  
Derwinski  
Dorn  
Edwards, Calif.  
Fallon  
Feighan

Fountain  
Gardner  
Garmatz  
Harrison  
Hays  
Hébert  
Herlong  
Hicks  
Holland  
Latta  
Leggett  
McCulloch  
MacGregor  
Mathias, Md.  
Mize

Murphy, N.Y.  
O'Hara, Mich.  
Pepper  
Pucinski  
Rarick  
Satterfield  
Tenzer  
Tunney  
Utt  
Willis  
Wilson, Bob  
Wolf  
Wyatt

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Utt.  
Mr. Feighan with Mr. Derwinski.  
Mr. Adams with Mr. Broomfield.  
Mr. Wolff with Mr. Belcher.  
Mr. Tenzer with Mr. Harrison.  
Mr. Pucinski with Mr. Conte.  
Mr. Fountain with Mr. McCulloch.  
Mr. Holland with Mr. Bob Wilson.  
Mr. Aspinall with Mr. Blackburn.  
Mr. Blatnik with Mr. Wyatt.  
Mr. Corman with Mr. Dorn.  
Mr. Garmatz with Mr. Rarick.  
Mr. Murphy of New York with Mr. Brinkley.  
Mr. Tunney with Mr. Willis.  
Mr. Baring with Mr. Gardner.  
Mr. Edwards of California with Mr. Mathias of Maryland.  
Mr. Herlong with Mr. Latta.  
Mr. O'Hara of Michigan with Mr. MacGregor.  
Mr. Pepper with Mr. Mize.  
Mr. Fallon with Mr. Satterfield.  
Mr. Leggett with Mr. Hicks.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE TO EXTEND REMARKS

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed, H.R. 6430, and also on the bill previously passed, H.R. 6418.



The SPEAKER. Without objection, it is so ordered.

There was no objection.

### SAVE THOSE JOBS

Mr. MONAGAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MONAGAN. Mr. Speaker, October 10, 1967, will be a crucial date for the stainless steel table flatware industry. On that date the existing tariff quota will expire. This quota, which was proclaimed by the President in 1959, has permitted a valuable American industry to remain operational in the face of a continuing flood of low-wage Far Eastern imports.

This historic American industry is mainly located in the Northeast States of Massachusetts, Connecticut, Rhode Island, and New York. Some of the most important producers are located in my district in Connecticut. One company alone presently provides 1,000 jobs and if this number is multiplied by three for family groups, it is readily apparent what a role it plays in the community and also what disastrous effect would result from a substantial curtailment of this enterprise.

Stainless steel flatware contains a very high labor component and is therefore particularly sensitive to competition from products in low-wage areas.

Once again we are faced with the problem of subsidizing industrial expansion abroad at the expense of American wage earners, producers, and communities. I have always supported liberal trade and I do so today, but I am opposed to a doctrinaire expansion to trade which fails to take into account the conditions in a particular locality or in a particular industry.

In the year 1966, importers furnished 23 percent of the domestic market, certainly a respectable and generous share. If the quota were continued, this percentage of the market would be retained by foreign producers, but their total sales would increase in conjunction with an estimated growth in the domestic market in the next 6 years. On the other hand, if the quota is removed it is estimated that the imports will rise from 23 to 55 percent of the U.S. market during the same period.

In effect, a decision of this type would turn over to low-wage plants in Taiwan and Japan one-third of the jobs presently held by high-wage, taxpaying U.S. citizens.

I know that many other Members of Congress face similar problems and I am bringing these facts to the attention of the House for the information of Members.

Bills to extend the tariff quota treatment on stainless steel flatware have been filed by the gentleman from Massachusetts [Mr. BURKE], and the gentlemen from New York [Mr. PIRNIE and Mr. CONABLE].

I propose to file a similar bill myself and I hope that other Members will join with me in introducing such a bill. I will be pleased to hear from anyone who desires to associate himself with me in filing similar legislation.

### REMARKS OF VICE PRESIDENT HUBERT HUMPHREY AT INTERNATIONAL TYPOGRAPHICAL UNION CONVENTION

Mr. EVANS of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an address by the Vice President.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. EVANS of Colorado. Mr. Speaker, on September 8, I had the pleasure of hearing Vice President HUBERT HUMPHREY deliver the featured address at the 109th Annual Convention of the International Typographical Union in Colorado Springs.

The delegates attending this convention came from throughout the United States, Canada, and Puerto Rico.

The Vice President's speech was warmly received by the nearly 500 ITU delegates and more than 1,000 spectators. I commend the Vice President's cogent comments to my colleagues attention:

REMARKS OF VICE PRESIDENT HUBERT HUMPHREY TO THE INTERNATIONAL TYPOGRAPHICAL UNION, COLORADO SPRINGS, COLO., SEPTEMBER 8, 1967

In the 15th century one of your predecessors, Johann Gutenberg, triggered one of the great turning points in history. His invention of movable type put knowledge within reach of the common man.

Unlike most historic events, Gutenberg's invention was recognized at the time for exactly what it was.

Some of the most powerful men of the Middle Ages saw it with dire foreboding. And from their standpoint, they were right to do so.

Because they knew that knowledge was power—and that no autocracy, no orthodoxy, would any longer be secure if ordinary people obtained knowledge.

Gutenberg's invention dispelled the darkness of centuries, and it helped to bring the Middle Ages to an end.

A lot of type has been set since Gutenberg—and the centuries of stagnation which he helped to end have been followed by centuries of constant and accelerating change.

You have seen great changes in your own craft, and you foresee even greater changes to come.

You have, for instance, set up your Training Center to keep pace with change and even to anticipate it. I read in one of your publications: "To the ITU craftsman 15 years from now, much of today's methods, machines, and techniques will be but a memory. It is the responsibility of all to be forewarned of new developments and to be prepared for them."

In thinking ahead, in preparing yourselves today for tomorrow's challenges, you are setting a good example for all of us—and especially for those of us in the craft of politics.

What will America and the world be like in 15 years?

We know a good deal about the immediate future. Men will land on the moon and perhaps set up a permanent base there.

Men will learn how to live and work at the bottom of the sea—and mine its floor for valuable metals.

Automation will certainly proceed, and computers may in fact make many of our present day middle management decisions.

Doctors will provide us with artificial internal organs and prolong our lives.

Yes, we will live in a world of scientific and technological marvels. But will it be a better world for people to live in?

We must ask these questions: Will our nation be divided between a majority living in comfort and even in affluence—and a minority mired deeply in urban and rural poverty? Or will we move forward to build a society where every citizen is a full participant in our progress.

Will America be filled with strife? Or will we move forward to build communities of peace and harmony?

And what about the world in which we live? Will it be dangerously divided along lines of ideology, race, or economic status? Will it be under never-ending threat of nuclear destruction? Or will men and nations move forward to build a safer and freer international environment?

Those questions will be answered in large part by what we do right here in America . . . by the kind of society we build.

The real quality of the society you and I will live in 15 years from now will be evaluated in human terms, and very specifically by the degree of opportunity available to each individual American.

Will the liberties of an American citizen mean as much as they should to you and to those around you when measured in terms of real opportunity?

Will all of us have an opportunity to take advantage in medical science—to be protected from sickness and to be cared for when we are ill?

There are some who say Medicare is enough. Nineteen million Americans are now covered by a program which was instituted only a year ago. Four million patients have received hospital care since the program started: 25 million medical bills have been paid.

Some say: "Medical care is a privilege not a right."

"Do any more and you will interfere with the rights of the individual."

Medicare represents great progress today.

But 15 years from now we will be deeply shamed as a nation if the one-third of our population, who today have no regular access to doctors or dentists, are still deprived of medical care.

It will be unacceptable if illness can still mean financial disaster to the family or a working man or woman.

What about education and training?

Will every American have an opportunity to get all the education he can use?

Will we have training and re-training programs capable of giving people skills which will enable them to lead productive lives in an economy of rapid technological change?

Will your children now in grammar school be able to find a place in college?

Here again the record as of today looks pretty good. Six million Americans are in college, and a million of them are receiving some form of federal assistance.

Head Start has already given more than a million and a half youngsters a critically important boost toward successful educations and rewarding lives.

Job Corps centers established just two years ago have already sent over 60 thousand new workers, earners, and buyers into the economy, and over 41 thousand more are now in training.

But will this be enough 15 years from now?

Will we still have poor schools in poor neighborhoods which can afford only poor teachers—schools which will turn bright-eyed youngsters into poor students, poor workers and poor citizens?

Will young people coming out of schools find jobs and hope, or unemployment and despair?

What about our cities?

Seventy per cent of the American people already live in urban areas, and the chances are very great that most of us will live out our lives in cities.

The federal government will supply over 10 billion dollars in grants and loans to cities this year for the improvement of urban life. That is almost three times the amount available in 1961.

But if each of us is to have a decent place to live at a price we can afford, we will need new urban housing units at the rate of 2 million a year a decade from now.

If we are not to waste our leisure hours getting to and from work, we will need transportation facilities to move 200 million people.

We will need more and safer airports.

We will need efficient rapid transit systems in the heavily populated urban corridors which by then will be a dominant feature of American geography.

We will need parks and recreation facilities.

We will need clean air and clean water, neither of which we now enjoy.

Even as the physical and cultural facilities of our cities improve, we will still need more and better law enforcement.

Think about wages. Last year's amendments of the Fair Labor Standards Act increased the minimum wage of one dollar forty cents an hour at the beginning of this year, and it will be one dollar sixty cents an hour next year.

Four million retail store employees benefitted from these increases and an additional 1.5 million, never before covered by minimum wage legislation, now enjoy this fundamental American right.

For the first time minimum wage protection was extended to some American farmers.

Now this is real progress.

We fought hard for it. Your vigorous campaign had a lot to do with the passage of those amendments.

But you and I know that this was only a step in the right direction, and that there are many more steps ahead of us.

A worker earning one dollar forty cents an hour is condemned to raise his family in poverty according to present federal standards.

A dollar and forty cents is better than a dollar. But are we still going to be content 15 years from now to guarantee our workers no more than a poverty income?

We cannot. And that is one reason why we need active, vigorous labor unions.

In the past, organized labor has always led in the struggle for decent wages and working conditions.

That struggle must go on, and the unions must continue to lead. They must continue to grow, and to extend their help and protection to the millions of American workers who still lack the benefits of union membership.

And let me say this to the younger union members: You have a special obligation to continue organized labor's historic struggle for the rights of all working men; for it is you who have benefitted most from the hard-fought victories of those who went before you.

I could list dozens of other areas in which the remarkable social progress of recent years has still to be nourished, re-enforced and extended.

Civil rights—progress in the last few years has been enormous. Tomorrow it will not be enough. Fifteen years from now, no American will quietly accept discrimination of any kind.

Privacy—the Attorney General's recent limitation on the use of wiretapping re-enforces a fundamental constitutional right.

But what of private bugging? What about polygraph tests for prospective employees? Do we want these in our national or individual futures?

And there are our relations with the rest

of the world. Fifteen years from now we will be an even more integral part of a world society than we are today.

Will that society be one of hunger, poverty, unrest and anxiety; or will it be a society of hope, or growth, of confidence, of individual dignity and peace?

Now I hear people every day, both in government and outside, who say that we have done enough.

"Rome wasn't built in a day."

"The majority are well-fed, well-clothed."

"Don't go any further or you'll destroy the rights of the individual."

"Enough for now."

These tired people usually use the war in Vietnam as their excuse for inaction on domestic issues. They say we can't afford to meet our national commitments abroad and at the same time build schools, train teachers, and open opportunities to the poor at home.

President Johnson does not agree with these tired people. He has asked Congress this year for over 26 billion dollars to finance programs specifically designed to aid the poor. That is an increase of 3.6 billion dollars over last year, or 14 per cent.

And I don't agree with these tired people either.

One reason is that we simply cannot afford to have 15 per cent of our people living in poverty, unable to purchase the goods we produce.

I remember my father telling me time and again when I worked behind the counter in our family drug store that our livelihood depended upon the prosperity of our customers. That is just as true today.

We cannot afford to let the energies and talents of one Negro child in an urban ghetto go undiscovered for lack of education.

We cannot afford to let one farmer while away his time on a sagging front porch in the midst of unplanted fields because he can't get tools, credit, seed, or land of his own.

We cannot afford to let one youngster end up in juvenile court because his father could not support his family or because his mother had to work to feed her children.

In case anyone doubts that an investment in human resources is important to prosperity, let me give you a statistic.

An economist named Denison recently completed a study of the reasons for American economic growth between 1929 and 1957. He found that 23 per cent of that growth was due to an improvement in the educational level of workers, and another 20 per cent was due to an "advance of knowledge" in general. A mere 15 per cent was attributable to expansion of capital equipment.

I know it does not surprise you to hear that improving men is worth more than improving machines.

While I am quoting statistics, I cannot resist giving you one more.

A recent study indicates that every dollar invested by government—federal, state or local—in health, education, housing, the development of natural resources, pollution control, and community development generates 2 dollars 40 cents worth of private investment and adds 10 dollars to the Gross National Product.

That is a return any banker would welcome.

But we are not a nation of bankers.

We are a nation which has grown and prospered on the basis of individual opportunity.

We are a nation which has discovered that the assurance of full human rights and opportunity for all does not detract from the well-being of the majority, but rather enhances it.

We are a nation which has slowly and painfully fought to insure those rights and opportunities, not because of an economic return but because they are right.

We are a nation that believes, in the words of Franklin D. Roosevelt, that "the test of

our progress is not whether we add more to the abundance of those who have too much; it is whether we provide enough for those who have too little."

We have accomplished a great deal, but the job is unfinished. If we stop now, the proud progress of today will surely become the dismal inadequacy of tomorrow.

The tired people are suffering from something Geritol won't fix. It is a permanent inclination to like the present better than they expect to like the future, and to like the past even better than that.

They are never quite able to catch up. Just as they are grudgingly about to accept the present, it slips into the past.

They are saved from themselves only by the foresight and dedication of others. You know who they are.

I am not too tired to carry on the struggle for a better future.

Your Administration is not too tired to carry it on.

And I know you are not too tired.

We can make America—no more or less—"one nation, under God, indivisible, with liberty and justice for all."

And we can move even closer to fulfilling the hope that the English philosopher, Richard Carille, held out for the printing press. It would, he predicted, "abolish all minor monarchies and give freedom to the whole human race."

That is a big order.

But, if we—blessed by nature, blessed by history, having unprecedented prosperity and power—do not fulfill the responsibilities of leadership, who else will?

#### AD HOC CONGRESSIONAL CONFERENCE REPORT ON EQUAL OPPORTUNITY IN HOUSING AND THE ENFORCEMENT OF EXECUTIVE ORDER NO. 11063

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, on August 15, 1967, I sponsored an informal ad hoc congressional hearing on the question of the enforcement of Executive Order No. 11063 issued by President Kennedy in November 1962, which prohibits discrimination in federally assisted housing. Our hearing considered a disturbing report released in May 1967, by the American Friends Service Committee, which concluded that the Federal agencies involved had little enthusiasm for enforcing the order.

The meeting was attended by Philip N. Brownstein, the Assistant Secretary of the Department of Housing and Urban Development and Federal Housing Commissioner; Booker T. McGraw, Assistant to the Secretary of HUD for Intergroup Relations; John Dervan, Director of the Loan Guarantee Program of the Veterans' Administration, also in attendance were several representatives of fair housing groups, including James Harvey, the national housing representative of the American Friends Service Committee.

Members of Congress who participated came to the conclusion that the criticisms of the AFSC report were substantially correct, and we prepared the congressional conference report on "Equal Opportunity in Housing and the En-



forcement of Executive Order No. 11063," dated May 13, 1967, which we forwarded to Secretary Weaver of the Department of Housing and Urban Development; Commissioner Brownstein of the Federal Housing Administration; and William Driver, Administrator of the Veterans' Administration.

We summarized our recommendations in covering letters as follows:

First. Field investigations by FHA and VA in preference to the case-complaint method as a means of determining where subtle or open discrimination occurs, including testing, and followup investigation of violators.

Second. Precise definition of equal opportunity standards for the housing industry, including specific sanctions for violators. Formalization of hearings.

Third. Expansion and greater use of equal opportunity staff in the investigation and enforcement process; more adequate equal opportunity training for all field staff.

Fourth. Greater publicity and identification of Government-assisted housing with equal opportunity specifically directed at minority communities. Mandatory statement of the equal opportunity policy in realtor and builder advertising of Government-assisted housing.

Fifth. A requirement that only realtors who do all of their business on an equal opportunity basis have the privilege of managing or reselling acquired properties for the Government; better scrutiny of broker practices in the sale of acquired properties.

Sixth. Substantial expansion of VA equal opportunity staff, or transfer of these functions to HUD.

The report was signed by the following: JOHN CONYERS, JR., HENRY B. GONZALEZ, AUGUSTUS F. HAWKINS, ROBERT W. KASTENMEIER, THEODORE R. KUPFERMAN, HENRY S. REUSS, BENJAMIN S. ROSENTHAL, and WILLIAM F. RYAN.

Our report and recommendations point up the passivity of FHA and the Veterans' Administration toward President Kennedy's Executive order. Not only has it not been enforced effectively, but it has been restricted by agency regulations. For instance, FHA has exempted from the Executive order the resale of owner-occupied one- and two-family houses. This exemption should cease immediately.

The Washington Post, in endorsing our report in an editorial on September 19, 1967, observed:

It is time for someone in the Administration to remind FHA that it is not a commercial bank and that security is not its sole motive. The idea is to produce housing, in the slums and in the suburbs, for those who need it most.

Mr. Speaker, I include, at this point in the RECORD, our report on "Equal Opportunity in Housing and the Enforcement of Executive Order No. 11063":

CONGRESSIONAL CONFERENCE REPORT ON EQUAL OPPORTUNITY IN HOUSING AND THE ENFORCEMENT OF EXECUTIVE ORDER NO. 11063  
INTRODUCTION

In May, 1967, the American Friends Service Committee released to the President a comprehensive "Report on Equal Opportunity in Housing." The Report concerns the lack of enforcement of Executive Order

11063 (November 1962) which prohibits discrimination in FHA or VA assisted new housing, and in the resale of Government-acquired properties.

The two principal conclusions of the Report were:

"1. Executive Order 11063 is being widely and flagrantly violated by builders, brokers, and lenders.

"2. Implementation of the Order by the Federal Housing Administration (FHA) and the Veterans Administration (VA) has been at best ineffective and at worst subversive of the goal of equal opportunity in housing."

The Report contains an evaluation of the implementation of the Executive Order and a series of recommendations. It also provides thirteen case histories, documenting the difficulty of obtaining compliance when a builder or realtor does not wish to sell or rent to a Negro.

To further consider the Report, Congressman William F. Ryan arranged for an informal meeting attended by a number of Congressmen and representatives of AFSC, the concerned agencies, and other interested persons. The meeting was held on Tuesday, August 15.

Participants at the meeting included: Rep. John Conyers (D-Mich.), Rep. Bob Eckhardt (D-Tex.), Rep. Augustus F. Hawkins (D-Calif.), Rep. Robert W. Kastenmeier (D-Wis.), Rep. Theodore R. Kupperman (R-NY), Rep. Henry S. Reuss (D-Wis.), Rep. Benjamin S. Rosenthal (D-NY), Rep. William F. Ryan (D-NY).

And representatives of: Rep. John Brademas (D-Ind.), Rep. Don Edwards (D-Calif.), Rep. Henry B. Gonzalez (D-Tex.).

Philip N. Brownstein, Assistant Secretary of the Department of Housing & Urban Development for Mortgage Credit, and Federal Housing Commissioner.

Booker T. McGraw, Assistant to the Secretary for Intergroup Relations, H.U.D.

John Dervan, Director, Loan Guaranty Program, V.A.

James Harvey, American Friends Service Committee.

William Cameron, American Friends Service Committee.

In addition, there were representatives of the Housing Division of the District of Columbia Government and the Action Coordinating Committee to End Segregation in the Suburbs (ACCESS).

We are grateful to all the participants in the meeting for taking the time to discuss this problem with us. We are especially indebted to the American Friends Service Committee for their valuable study.

Our conclusion is that the picture portrayed by the A.F.S.C. report is substantially accurate. Fair housing is clearly not one of F.H.A.'s priorities, to say the least. Time prevented us from discussing the V.A. situation in detail. However, all evidence suggests that the V.A. is even less concerned with the goal of equal opportunity in housing than the F.H.A.

The following report is very brief. It presents our conclusions based on background information and statements of various persons present at the meeting. There is vast room for improvement within the existing authority under Executive Order 11063. This order provides the means whereby equal opportunity might be secured in a substantial sector of the housing market. Instead of implementing this authority to the fullest, the concerned agencies have chosen a minimal interpretation of their obligation. We hope that this will change.

JOHN CONYERS  
HENRY B. GONZALEZ  
AUGUSTUS F. HAWKINS  
ROBERT W. KASTENMEIER  
THEODORE R. KUPFERMAN  
HENRY S. REUSS  
BENJAMIN S. ROSENTHAL  
WILLIAM F. RYAN

Members of Congress.

It is well known that FHA's principal constituency is the housing industry. FHA is reluctant to jeopardize its standing with the industry by aggressively implementing an equal opportunity policy. This is clearly demonstrated by the manner in which the regulations issued pursuant to the Executive Order have been carried out.

#### 1. THE CASE METHOD

The AFSC maintained that FHA has failed to carry out an "affirmative" policy on equal opportunity. By and large, the meeting substantiated this. FHA has interpreted the Order as providing a right of redress, but not a mandate for industry-wide enforcement by the agency itself.

In other words, if a prospective Negro buyer who has been repeatedly misled and discouraged from purchasing a house has the sophistication and determination to pursue his case, only then does he stand a chance of satisfaction. Without the assistance of private fair housing groups, it is doubtful whether even those few Negro buyers who have been aided by the Order would have obtained redress.

There is a default of agency responsibility in this area. To the extent that it is being exercised at all, it is being done under great pressure from private groups. It is discouraging that a private group, with minimal resources, must do the Federal Government's job for it.

The Order is being enforced on a case by case method, and on the initiative of the complainant. It is clear that those Negro buyers who even reach the stage of complaining to FHA are a small minority of those who experience discrimination.

FHA has recently announced plans for pilot counseling services in five cities. If a buyer is having difficulty in finding a house, FHA will advise him as to price range, location, etc. FHA will make the appointment for a showing, if it has reason to suspect that a minority buyer is being given a runaround. Theoretically, the visibility of the FHA is to ensure that the builder or realtor will not discriminate.

Although this innovation will undoubtedly be useful, it remains merely an embellishment on the case method. It still depends upon buyer initiative; it still leans upon the assistance of its most significant critics, the private fair housing groups. Is any major publicity campaign carried on to publicize the service among Negroes? Is the service located in ghetto neighborhoods? Is it open evenings and weekends, or only when the buyer is at work? The answers we received are less than satisfactory.

Another recent innovation is the requirement that builders who have been found to discriminate are required to take "affirmative action," which may include equal opportunity advertising, or demonstration that Negroes have purchased houses, etc., as a condition for continuing to receive FHA commitments. Although this is also a useful improvement, more often than not a hearing will end with the judgment that a "misunderstanding" occurred, and there will be no formal finding of discrimination. Furthermore, if the builder is judged guilty, once he takes the required "affirmative action," he is no longer subject to FHA scrutiny.

We conclude that adequate enforcement of the Order will not be secured until FHA institutes direct enforcement and testing in preference to the case complaint method. Only if this is done, will there be an assurance that Negro buyers are not dissuaded from purchases, subtly or openly.

#### 2. SALE OF ACQUIRED PROPERTIES

FHA offers for sale annually in the area of 50,000 units which have come into its possession. Most of these are sold through commercial brokers. According to AFSC, some of the most blatant discrimination occurs in this area. AFSC alleges that most of the houses are sold through favored (usually

white) brokers, although bidding is nominally open. Negro brokers generally acquire properties in predominantly Negro areas. White brokers generally show properties in white areas to white buyers, and those in Negro areas to Negroes. No effort is made to determine whether the broker who bids for acquired properties discriminates in his other dealings. FHA takes the position that this is his affair, and that it is only concerned with whether he discriminates in the sale of FHA properties.

The total FHA effort to secure compliance in the sale of acquired properties involves an occasional meeting in which brokers are familiarized with the regulations, and a requirement that they certify from time to time that they have informed their sales staff of the regulations. FHA believes this is sufficient. We believe that they either are being naive, or that they have little enthusiasm for enforcing the order. In the absence of testing, the brokers have no incentive to abide by the Order. FHA representatives acknowledged that brokers do discriminate in their other dealings "at the request of their clients." It is disingenuous to expect that the minimal FHA requirements will induce them not to discriminate in the sale of acquired properties.

FHA is permitting its properties to be sold through a market which is largely segregated. Unless strong measures are taken to counter the general trend, it can be expected that the resale of these properties will only reinforce the prevailing pattern.

### 3. FAILURE TO EMPLOY AVAILABLE TECHNIQUES

Executive Order 11063 directs agencies to "take all action necessary and appropriate to prevent discrimination because of race, color, creed, or national origin" in housing which they sell, rent or assist through the provision of guarantees. This is a broad mandate. We concur with a number of AFSC suggestions that clearly fall within the authority of the Order.

Instead of merely requiring that proven discriminators take "affirmative action" to get back into FHA's good graces, FHA might well require that advertising of all housing provided with FHA assistance refer to the equal opportunity policy. On site posters could also be required making the policy clear. FHA takes the position that this requirement would alienate the industry and damage FHA's position, which is in itself an acknowledgement that discrimination in housing is pervasive and that present FHA policies do not remedy the situation.

Moreover, FHA itself should mount a publicity campaign to identify FHA-assisted new housing with equal opportunity. This can be done through various media, and should especially be directed at the Negro community.

It can also be accomplished through better liaison with local community relations agencies, public housing authorities, civil rights and fair housing groups. FHA maintains that a campaign of this nature might discourage a substantial portion of the industry from doing business with FHA. We believe that builders and realtors who discriminate against Negro citizens should not expect subsidy at taxpayer expense. If the serious enforcement of the Executive Order would indeed lead to the disaffection of much of the industry, this is only proof of the depth of the problem and the need for prompt, effective action such as we are recommending.

There is a close analogy in the sale of acquired properties. FHA has taken the position that they are not concerned with whether brokers who sell, rent, or manage Government acquired properties discriminate in their other dealings. We believe that no broker should have the privilege of managing and selling properties for the Government unless he is pledged to do business on an equal opportunity basis in all his deal-

ings. We believe this is a highly appropriate means, within the mandate of the Order, to encourage nondiscrimination in housing.

Under the Executive Order FHA also has the authority to "take other action . . . including litigation." We were told that this authority has never been used. Furthermore, FHA's inspection staff, which maintains standards in regard to other conditions which FHA imposes, has nothing to do with the enforcement of the Executive Order. This should be remedied.

FHA has exempted from the Executive Order the resale of owner-occupied one and two family houses. This exempts nearly 95 percent of sales in this category.

There is no overall set of guidelines with which the industry must comply in order to qualify for FHA assistance. Since October, 1963, a builder has had to sign a non-discrimination pledge; however, this has never been defined further. We believe that it is the responsibility of the agencies to make clear to builders, realtors, and lenders what constitutes violation of the Order, and what the consequences will be. At present, the worst a builder who chooses to discriminate faces is the slight possibility that he will be forced to change his decision. Only if he then refuses to sell, does he face the possibility of sanctions.

The Veterans Administration compliance program is even less developed than FHA's. Either the VA should develop its own equal opportunity staff, with enforcement functions, or this responsibility should be transferred to HUD.

### 4. ATTITUDES

The AFSC Report was especially critical of the attitude and performance of the FHA and the VA in the processing of complaints. AFSC contends that there are delays, and that the complaint procedure of FHA and VA are "clumsy and grossly inadequate tools." The VA is reported to be most reluctant to charge discrimination except when the formal refusal to sell a house is involved. It should be obvious that refusal to show a house is tantamount to a refusal to sell and constitutes discrimination.

The FHA and VA are also alleged to favor the builder except when confronted with the most obvious discrimination. We are not in a position to determine the attitude of individual staff members. However, we concur with the recommendations that hearings be formalized; that the policy on the Executive Order be made clear to all staff members through more adequate training; and that the use of the equal opportunity staff, who presently have no "line" authority should be broadened. The caution reflected in the apparent fear of offending the industry warrants a change of attitudes.

At the meeting on August 15, HUD and FHA representatives repeatedly asserted that their authority is limited under the present Executive Order, and that they really favor a Federal fair housing law. In all candor, let us recognize that the possibility of a fair housing law passing during this session of Congress is remote. Moreover, if FHA is incapable or unwilling to enforce the Executive Order whose mandate is clear affecting twenty percent of the industry, what will be the fate of a blanket fair housing law? Conversely, if FHA believes that a fair housing law is workable, why is it not prepared to fully enforce the existing Order?

### CONCLUSION

Of course, we also believe that an effectively enforced fair housing law is ultimately required. However, the existing authority should be enforced to its fullest. It only covers a fraction of new housing, but it is a very significant fraction of suburban middle income housing. Many Negro families now trapped in urban ghettos can afford this type of housing. The ghetto uprisings can be traced to two principal factors—housing and jobs. Education and job training are rela-

tively longer term tasks, but it is inexcusable to continue to deny decent housing to Negro families who can afford it now.

Executive Order 11063 is an important wedge, for it covers a substantial part of the housing which many urban Negroes can afford now. Until additional authority is legislated, it is critical that the Order be implemented to the fullest.

I also include the editorial from the Washington Post of September 19, 1967, entitled "More Brake Than Engine":

### MORE BRAKE THAN ENGINE

The Federal Housing Administration has come in lately for a couple of brickbats that seem at once deserved and well-directed. Eight members of the House concerned with the promotion of fair housing complained very publicly the other day that FHA has followed a generally passive policy toward President Kennedy's 1962 Executive Order prohibiting racial discrimination in housing sold under Federally insured mortgages. The complaint errs, if at all, on the side of understatement. One wonders at times if FHA has ever heard of the Executive Order—or even of the Civil Rights Bill.

Sound banking policy in Federal mortgage insurance is highly commendable, to be sure. But FHA has some sound social policy to consider, too. The Nation urgently needs decent housing for its colored as well as for its white citizens; and its Federal Government must bend every effort to shatter the ghettos that cramp human development and crimp opportunity. "It is well known," the eight Congressmen said, "that FHA's principal constituency is the housing industry. FHA is reluctant to jeopardize its standing with the industry by aggressively implementing an equal opportunity policy."

This want of ardor manifests itself in other ways as well. Locally the other day an anti-poverty housing group, the Housing Development Corporation, appealed to the national FHA office for help after its plan to rehabilitate Clifton Terrace apartments for low-income families had been twice turned down by local and regional FHA offices. Insistence on perfection gets very few housing units constructed. It is time for someone in the Administration to remind FHA that it is not a commercial bank and that security is not its sole motive. The idea is to produce housing, in the slums and the suburbs, for those who need it most.

### GUERRILLAS HAVE A NEW VOICE IN AMERICA

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the gentleman from Alabama?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, unfortunately, other items of importance have overshadowed recent developments emanating from communism's stepping stone in the Caribbean—Cuba. While much of the rest of the world is concerned with other things, business as usual calls for subverting the nations of our hemisphere through various tactics, including guerrilla warfare.

Virginia Prewett, writing in the September 19, 1967, edition of the Washington Daily News, amplifies on an arm of Tri-Continental and LASO operations which is based here in the United States—"the Tri-Continental Information Center" in New York. As she points out, this offshoot will serve as another



outlet for anti-American propaganda and action and warrants close watching.

With their "close contacts with the Vietcong," predictions of a guerrilla movement in the United States and affiliations with many of the top Communists, it would appear that Castro has another foot in our door.

I submit the Prewett article for further elaboration and incorporation into the RECORD at this point:

NEW YORK CENTER SPREADS ANTI-U.S. PROPAGANDA: GUERRILLAS HAVE A NEW VOICE IN AMERICA

(By Virginia Prewett)

Latin American guerrillas, the Viet Cong and the Havana-based Tri-Continental Organization (OSPAAAL) now have a mouthpiece in the U.S.

This is the Tri-Continental Information Center in New York, on Broadway a few doors above Fourteenth Street. Three U.S. Communist stalwarts are among 45 announced sponsors.

In operation since early spring, the Center proposes to flex its muscles in October by bringing Guyana's Communist-leaning firebrand, Cheddi Jagan, to the U.S. for a lecture tour.

#### TEACH-IN

On July 13, the Center held what staffers call a "very successful" teach-in on Puerto Rico at the Horace Mann auditorium of the Columbia University Teachers College.

There Juan A. Silen, president of the Castro-connected Puerto Rican Pro-Independence Movement, attacked the U.S. in fiery terms for "oppressing" Puerto Ricans.

Spokesmen for the Center, Bulletin Co-editor Joan Levenson and John Gallo, soon to become the Center's Secretary, say its purpose is to create understanding and a constituency among the American people for the world's guerrilla movements.

The Tri-Continental Organization from its Havana base has issued a policy statement relating "the fight of the Negro people of the United States" to the "world struggle against Yankee imperialism" and exhorting American Negroes to paralyze U.S. cities and "destroy the economic, political and social system of the United States."

Asked if they expect a guerrilla movement to appear in the U.S., the Tri-Continental Center spokesman, John Gallo, said: "Not for five years."

To the query whether the guerrillas would appear then, he answered:

"Come back in five years."

#### CONG CONTACTS

The Center's staff says it has "many contacts" with the Vietcong and indirectly with other guerrilla movements.

The chief publications obtainable at present are the Bulletin, and an English-language version of the message—published in Granma, organ of the official Cuban Communist Party—sent by Che Guevara to the Tri-Continental Organization.

The Bulletin is sent by mail to lists of names obtained from "civil rights groups, the peace movement and college groups," according to the Center staff.

The August issue of the Bulletin prints the text of the speech by Juan Silen at the July "teach-in." Among other things, Silen charges that American and Cuban exiles flock to Puerto Rico to "exploit" the people, that the recent plebiscite was "manipulated" and that the U.S. is using Puerto Ricans as cannon fodder in Vietnam.

The Center is supported by private donations, said the staff. It was started at the suggestion of members of SANA (National Committee for a Sane Nuclear Policy). Among the 45 listed sponsors are:

Communist Theoretician Herbert Aptheker; Party Member Carl Boice; Franklin

Alexander, past president of the Dubois Clubs; Donna Allen of "Women Strike for Peace"; Alvah Bessie and John Gervassi, leftist writers; James Aronson, former National Guardian editor; Professors Douglas Dowd of Cornell, Sidney Peck of Cleveland's Western Reserve University, and Frank Kofsky of the University of Pittsburgh; Ruby Dee, an actress; Abe Feinglass of the Meat Cutters and Butchers Union and Paul Krassner, editor of "The Realist".

#### NUCLEAR DEFENSE—AGAINST WHOM?

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, in the past I have made a number of insertions in the CONGRESSIONAL RECORD concerning the antiballistic missile defense system which has been the subject of controversy for a number of years. Perhaps because the pressure for an ABM defense system has increased, it has been announced that the United States will go ahead with a light ABM system. And who will the system defend against? Why, Red China, of course. Meanwhile, we have announced that we will continue to press for talks with the Soviets to avert escalation of an ABM race. The Chicago Tribune editorially observed that—

The McNamara decision to avoid the immediate soviet threat and concentrate instead on the possibility of future attack from a nonexistent Red Chinese missile force could lay the Johnson administration wide open to charges of irresponsible fiddling with national security.

I insert the Chicago Tribune editorial of September 20 entitled "Nuclear Defense—Against Whom?" in the RECORD at this point:

#### NUCLEAR DEFENSE—AGAINST WHOM?

After stalling off a decision while trying unsuccessfully to talk the Russians into a mutual ban on anti-ballistic missile [ABM] defense systems as a way of ending the nuclear arms race, the Johnson administration has finally decided to build one of its own.

It will not be designed, as one might expect, to protect the United States from attack by the only hostile missile force in existence—the Soviet Union's. Instead, Secretary of Defense Robert S. McNamara announced Monday, it will be a relatively cheap "light" ABM system intended to foil any missile attack from Red China, which has no long range missiles now and is not expected to have any before the mid-1970s.

McNamara's decision, far from ending sharp debate over the need to build a system for protection against the growing might of the soviet missile arsenal, only fanned the flames. Many key members of Congress, including administration supporters, who had been briefed on the decision over the weekend, said they viewed this only as a first step toward building a "heavy" soviet-oriented missile defense.

Anticipating such opposition, McNamara told a group of editors in San Francisco, to whom he disclosed the ABM decision, that the administration would firmly resist every pressure to convert the 5 billion dollar "light"

ABM system into one capable of coping with the more complicated soviet missile force.

The Pentagon chief downgraded the ABM system the Russians have been busily installing for several years around Moscow and other key cities as a "light" are "modest" one, easily penetrable by American missiles if they were fired in retaliation to a "first strike."

McNamara conceded the situation would change if the Kremlin decided to build a "heavy" ABM defense. Should the Russians do this—and McNamara asserted that no nation could hide such endeavors—Washington would not respond, as might be expected, by building a "heavy" counterpart.

He insisted that the response to such Soviet action would be to make America's offensive missile strike force even more sophisticated and unstoppable than it is today. Deterrence thru overwhelming nuclear might, he said, remains the cornerstone of administration strategy, rather than dependence on anti-missile defense.

Contending that both the Soviet Union and the United States have the nuclear missile power to wipe each other out in "retaliation" or "second" strikes, McNamara argued it was equally futile for either to build a costly and "heavy" ABM defense. For the United States to do so, he said, would only bring a soviet reaction to offset our advantage.

McNamara said his position was supported by four science advisers who served Presidents Eisenhower, Kennedy, and Johnson, and by directors of research for three secretaries of defense. The Pentagon boss significantly failed to mention the joint chiefs of staff.

By unanimous decision, the joint chiefs have recommended production of a "heavy" ABM system to defend against any kind of possible soviet missile attack. Given the same set of facts, General Earle G. Wheeler, JCS chairman, testified last February, the military leaders reached a different conclusion from McNamara.

Wheeler said the chiefs do not believe the soviet reaction to our building an ABM system would be as outlined by their civilian boss and his scientific advisers. Should deterrence fail and the Russians attack with their long range missiles, the chiefs believe that an ABM defense, even tho not 100 per cent perfect, would save millions of lives.

The McNamara decision to avoid the immediate soviet threat and concentrate instead on the possibility of future attack from a nonexistent Red Chinese missile force could lay the Johnson administration wide open to charges of irresponsible fiddling with national security.

#### TWO ORGANIZATIONS DESERVING SPECIAL TRIBUTE—RACINE SEABEE U.S. NAVAL RESERVE UNIT AND RACINE COUNTY COUNCIL, BOY SCOUTS OF AMERICA

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. SCHADEBERG] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SCHADEBERG. Mr. Speaker, each year on the appropriate date, many of us rise to pay tribute to one organization or another in commemoration of the anniversary of the founding of the group. I must admit that in many cases the press of business prevents us from paying close attention to the functioning of the particular group we have praised

until the next anniversary. In my case, this could never happen when it comes to my former Seabee unit in Racine, Wis., and the Racine County Council, Boy Scouts of America.

It is a pleasure to tell you here today of the close cooperation and working relationship which exists between the two groups. Only weekend before last, the Seabees under the charge of Chief Paul Buchakian, spent 2 days working at the Ka Ha Gon Boy Scout Camp near Rochester, Wis., in the second phase of a program designed to modernize and better equip the camp. In return, the Scouts gave the Seabees a "thank you" assist in the form of a cookout.

I am very proud of both organizations. I have an especially fond spot in my heart for the Boy Scouts of America. The lore and skill that the organization has passed to each young generation in turn has served it well. I know that my son, who is now preparing to serve in the Armed Forces, is better prepared to face the tasks ahead after having an excellent Scouting background.

There is every reason to believe that this Nation will retain its basic strength as long as it contains outstanding groups such as the Racine Seabee U.S. Naval Reserve Unit and the Racine County Council, Boy Scouts of America.

#### THE CENTER FOR INTER-AMERICAN RELATIONS, INC.

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KUPFERMAN] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, the Center for Inter-American Relations has opened at 680 Park Avenue, in my district.

With the current world posture and the increasing interest in our relations with the other nations on this continent, this is indeed a welcome development.

The center describes its purpose as "designed to meet two critical needs: more effective communication among those concerned with the process of political, economic, and social development in the hemisphere; and greater awareness in the United States of the artistic traditions and cultural accomplishments of Latin America, the Caribbean area, and Canada."

The headquarters of the center deserves more than passing reference. It is a six-story town house designed in 1911 by the architectural firm of McKim, Mead & White. Presented to the center by the Marquesa de Cuevas, the house has been completely renovated and equipped with an art gallery, offices, seminar rooms, a library, and reception and dining facilities.

Perhaps more interesting, if not more important, is the fact that it previously was a Soviet center and Mr. Khrushchev appeared on its balcony, which makes this new use for friendship and culture all the more significant.

A group of outstanding citizens of the

Nation are involved in furthering the center's work. Among them are:

Honorary trustees: The Honorable HUBERT H. HUMPHREY, the Honorable Nelson A. Rockefeller, the Honorable JACOB K. JAVITS, the Honorable ROBERT F. KENNEDY, the Honorable John V. Lindsay, the Honorable Covey T. Oliver, the Honorable Sol M. Linowitz, the Marquesa de Cuevas.

Officers: David Rockefeller, chairman of the board; William D. Rogers, president; William H. MacLeish, executive director; Jack B. Collins, vice president, development; Francis E. Grimes, treasurer; Forrest D. Murden, Jr., secretary.

Directors: William E. Barlow, Charles W. Cole, René d'Harnoncourt, Leonard H. Goldenson, Lincoln Gordon, Andrew Heiskell, Edgar F. Kaiser, Archibald MacLeish, Thomas C. Mann, George Meany, George S. Moore, Forrest D. Murden, Jr., James A. Perkins, David Rockefeller, William D. Rogers, David S. Smith, Arthur Ochs Sulzberger, Edward Larocque Tinker, Rawleigh Warner, Jr., John R. White.

The inauguration of the center on September 18 saw an impressive delegation present, with Vice President HUBERT HUMPHREY giving the address.

I am pleased to bring his remarks on this occasion to the attention of my colleagues:

REMARKS OF VICE PRESIDENT HUBERT HUMPHREY AT THE CENTER FOR INTER-AMERICAN RELATIONS, NEW YORK, N.Y., SEPTEMBER 18, 1967

A year ago I was honored to accept an invitation to become an Honorary Trustee of this Center. I am even more honored to address the distinguished audience which has gathered tonight to mark its opening.

The inauguration of this Center reflects the interest in Latin America that has developed in the last decade in the United States. It reflects, too, the new attitude that has developed toward our fellow citizens in the Hemisphere: an attitude based on understanding and respect for Latin American people, for their culture, and for many of their traditions.

It is based on an increasing acceptance of Latin Americans as our full partners and on a recognition that we have much to learn from our Latin American neighbors. We pragmatic North Americans sometimes find it difficult to understand why philosophy and ideology loom so large in Latin American political life.

To understand Latin American culture we must recognize that ideological considerations assume a greater importance in their culture than in ours.

We must read Latin American poets and philosophers, hear their music, see their drama, and view their paintings. For the educated person in North America, the names of Botero and Mistral, Rodo and Sanches, Villa Lobos and Borges, should be far more familiar than they are today. This Center can make this possible by becoming a showcase for the cultural achievements of Latin America, the Caribbean and Canada—a forum for the interchange of ideas and information. And, in making it possible it can assist us in understanding their concerns and in enriching our own lives and culture.

The calibre and stature, the proven interest and dedication of the men and women who have organized this Center should insure its success. For few people have done more to promote solidarity and understanding among the nations of the Hemisphere than those who are here tonight.

Tonight, although we are honored by the

presence of distinguished Latin American officials and private citizens, I would like to direct my remarks primarily to my fellow citizens of the United States who have founded this Center.

On this occasion it is appropriate to ask: What is the basis of our interests in inter-American relations? What binds us together in this common concern?

There are those for whom the link between the United States and Latin America is based chiefly on physical proximity.

They say that it is unrealistic to seek solidarity with Latin America. And they point to the observable differences between us.

They say:

The United States is rich; most of Latin America is poor.

Our culture is largely Anglo-Saxon and Yankee; theirs is largely Latin and Iberian.

We are sometimes clumsily powerful; they are often self-consciously weak.

We are to a large extent Protestant; they are to a larger extent Catholic.

The people of the United States enjoy widely the marvels of the technological and electronic age; the ordinary people of Latin America have barely begun to glimpse them.

There may have been some validity to this portrayal—at the beginning of this decade. It is surely an over-simplification now.

But the differences that divide us are small compared to the bonds that unite us. One of the most ancient and enduring of these bonds is our common commitment to the idea of a new world.

Since the 16th Century, men—whether English, Spanish, or Portuguese—have been gripped with the desire to find, and the determination to build, a new world.

This new world has represented not just a new land to be exploited, not just a haven for the oppressed.

Above all, it has signified a vision of a new human chance—an opportunity to create in a new world a society, a human political system, which would make possible a truly human life.

From the founding of Massachusetts Bay Colony to the Declaration of Independence, from the first voyage of Columbus to the South American revolution of the 1820's, the idea of the new world has been both a dream and a battle cry on both continents.

On this common ground, we share one of the great visions and one of the great adventures in human history.

Now that alien forces in the world today have brought us closer together in danger and concern, let us not forget that we were—and we are—blood brothers in hope.

In their vision of a human society in a new world, our forefathers assumed that man need not be resigned to providence . . . that he could to some extent master his own environment.

As President Kennedy said, "That here on Earth God's work must truly be our own." That was a basic assumption in launching the Alliance for Progress—the framework of Inter-American policy today.

Since the signing of the Charter of Punta del Este six years ago, we have been acting on the premise that man can shape his environment . . . that radical improvement in the condition of ordinary people can be achieved through deliberate, systematic political action.

Just as hope brought men to the shores of our continents four centuries ago, so the hope which has been aroused by the Alliance for Progress spurs us on to create that truly human society of which we have always dreamed.

In pursuing this goal, the initiative and resourcefulness of private institutions are indispensable. A Center like this can stimulate the efforts of private groups . . . can provoke them to focus on the problems of the Hemisphere the best thinking, the most



creative insights, that men and women anywhere in the Hemisphere have to offer.

Most important, it can spur them to action. Governments must deal with the problems and crises of today—and far too rarely does their preoccupation with the present permit adequate attention to the future.

Yet the very idea of a new world implies an orientation toward the future.

Never has such an orientation been more necessary than in Latin America today, where one-half the population is under 20 years of age.

This is a role which you as representatives of private institutions can play—through institutes such as the Center, through foundations, business groups, universities, labor unions, and churches.

As the Center for Inter-American Relations, you will face the temptation to deal chiefly with established institutions, to invite mostly well-known figures, to exhibit recognized artists, to accept the conventional wisdom of the day.

In confronting this temptation—which is a pervasive temptation for all of us—you must bear in mind that what appears to be an establishment may be only the temporary pinnacle of an "established disorder."

For many—particularly among the young—the establishment of today is not one which they aspire to join. It is an institution which they hope to see dismantled. I know the progressive and concerned Latin American leaders who are with us tonight not only recognize this fact, but that they are striving to build societies where the energies of the young will be devoted to constructive—and not destructive—ends.

In our contacts with Latin America we must give priority attention to the young leaders of the next decade. Some are on the scene. Others are yet to be identified.

To do this, it may be that a new edition of who's who will be required.

And in drawing up that revised who's who—we should avoid including only those who speak English, attend American Embassy receptions, or, if my friend George Moore will permit, have a sound credit rating at the First National City Bank.

The most imaginative, talented, and responsible Latin American leaders are not always the most North-American minded.

As you have long since known, if private institutions are to be on the cutting edge of history in this Hemisphere, both their vision and their programs must be bold.

They must venture into those sensitive but vital areas where the risks are high, the immediate visible results low, and the recognition long in coming.

The private sector's contribution is needed in the area of agrarian reform and land utilization . . . modernization and equalization of tax systems and market systems . . . reform of outdated state university systems, and in confronting the myriad problems of the modern metropolitan area—high unemployment, sprawling slums, clogged transportation systems, inadequate housing and hospitals, insufficient schools and teachers.

It is needed in training young people, in developing programs for the media of mass communication, in assisting the building of free trade unions in both urban and rural areas, in strengthening existing professional associations and creating new ones. The private sector must give attention to the ingredients of political and social development as well as economic development.

In the past two decades in the United States, the private sector has shown that it can effectively contribute to the resolution of the sensitive political and social issues of the day.

In the 1950's for instance, when fundamental American freedoms and institutions were called into question, private funds supported the creation of the Fund for the Republic which devoted itself to subject American institutions to searching scrutiny

and to presenting their findings to the public at large. Similarly, the Southern Christian Leadership Conference was established with foundation support to assist in the resolution of the most tormenting social issue of our times—that of the relations between the races.

And now the private sector is becoming deeply involved in the unmet social needs of this nation—from rebuilding the crowded tenements of Harlem to liberating the prisoners of rural America's tarpaper shacks.

Yes, we are beginning to develop right here at home a creative partnership . . . an Alliance for Progress between free enterprise and representative government. And the lessons learned right here must be seized and put to work in other parts of the Hemisphere.

It is not necessary to review here the progress of our attempts to transform the Hemisphere the past six years through the Alliance for Progress. This was done at Punta del Este earlier this year where the Presidents of the Hemisphere met to assess our accomplishments and to plan for the future. They agreed that top priority for the next decade should go to institutional development, and the economic integration of Latin America.

The creation of a common market and the integration of Latin America entails breaking out of confining frontiers, reaching out to forge bonds of unity, and in unity gaining strength. But the process of creating a common market also entails difficult and painful adjustments in the fabric of established societies. It would be a great misfortune if the fear of these adjustments were to delay progress of the movement toward integration.

They agreed on the urgency of opening up the inner frontiers of the South American continent.

They agreed to consider the possibility of stimulating intra-regional trade through temporary preferential trading agreements.

They agreed on the urgency of accelerating the modernization of agriculture and the rural areas.

They agreed to facilitate the dissemination of technology through the establishment of new regional institutes.

They agreed to devote increased resources to health and education in every land.

All these initiatives must, and I am confident will, be pursued.

But beyond these material necessities, there are human necessities too.

It has, for instance, become customary to distinguish between behavior patterns in developed and developing countries of the world—and to apply this distinction to North America and to Latin America.

No one who has endured the agony of the past summer in the United States can place much faith in that distinction.

For we have seen what happens when a small but aroused minority, awakened to full consciousness of its condition, and cut off from the bonds of society, is misled by demagogues into seeing its only outlet in anarchy and violence.

Thus, when we speak of the integration of Latin America as of the Hemisphere, we must concern ourselves not only with the economic integration of a continent, but with the integration into society of millions of human beings who are becoming conscious of their condition . . . who are no longer resigned to their fate on the margin of society.

Given the conditions of everyday life in many parts of Latin America, what is a tiny minority in this country could be a dangerous and broad movement—or a majority—in other countries of the Hemisphere.

Most nations in Latin America have made progress during this decade in achieving economic growth and social justice.

But progress has brought with it increased tensions that spring from hopes yet unfulfilled, from rising expectations not met fast enough. This should neither surprise

nor discourage us. We knew that the hopes and expectations which the Alliance would arouse could not all be met in the immediate future. What can be accomplished in a material sense in a short period of time will always fall short of expectations.

What is important is that we be prepared to give convincing evidence that progress is being made, that material betterment is on the way, that there is reason for believing that the unmet problems of society will be solved in the future.

We must be able, in short, to provide the politics of hope and of faith.

What concerns me, as I look toward the next decade, is that progress may not be fast enough to sustain the hopes that have been aroused . . . that the newly awakened millions will reject the alternatives of peaceful change and accept instead the leadership of those who glorify violence and who seek not to change society but to destroy it.

"We hope vaguely", said Valery, "but we dread precisely."

I raise this question with the full realization that more has been done in the past decade in most countries than in the previous five decades.

More has been done by two United States administrations in this decade than ever before.

More resources have been devoted to Hemisphere programs during the past three years than the previous three.

And President Johnson has made unmistakably clear his determination—regardless of any temporary setbacks—to continue the large-scale commitment of resources of the United States to the Alliance for Progress program. As he stated last month: "We will persevere. There is not time limit on our commitment." And at Punta del Este: "Economic and social development is a task not for sprinters but for long-distance runners."

But I would like to be more confident that our efforts—those of all of us throughout the Hemisphere—are of a magnitude equal to the task. I would like to be more confident that the spreading guerrilla movement in some countries, the "radicalization of the left" in others, represent a temporary phase and not a long-range condition.

I would like to be more confident that the increase in gross national product is improving the lives of those who are most in need; that the majority of the coming generation sees in progressive political democracy a system to be preserved and perfected—and not a vestige to be discarded.

I would like to be more confident that the enormous contribution which a competitive free economy can make to economic and social development is widely understood; and that the advanced trading nations of the world are prepared to adjust world trade policies to reflect the needs of the less advanced nations of the world.

I would like to be more confident that the members of the Organization of American States will improve its machinery and institutions to make it work, in times of trouble as well as tranquility. As we face the next decade, we are more aware today than five years ago that the economic progress we seek, and the social justice we aspire to, can be securely achieved only where political institutions are strong and where political leadership is secure.

Until ways are found to strengthen the political fabric of our Hemisphere . . . to perfect the institutions which are the substructure of a stable political system, we can have no assurance that the economic and social modernization will proceed without interruption.

Political development in our Hemisphere during the next decade must also focus on the expansion of the inter-American system, the inclusion of new nations or groups of nations, the possible return of old ones.

In the Caribbean, the future course to in-

sure the development of small states with limited resources will require a political inventiveness and creativity that is not yet assured. Can these states provide the economic and social necessities of a modern nation through federation?

Or must they find some other relationship to the mainland—through independence, commonwealth status, or other ties?

Given our special and historic concern with the Caribbean, we will not be able to envision its stability so long as one nation remains not only outside the inter-American system, but intent on that system's destruction. We hope for a return of the policy of the "Good Neighbor" to the Caribbean. But it will not return until the policy of "leaving one's neighbors alone" is applied by Havana. Until Cuba is prepared to leave her neighbors alone, to suspend the activities and the connections that led to her expulsion from the American family, there can be no return to participation in the inter-American system.

To our neighbor to the North, Canada—which is celebrating its centennial year—we express the hope that it will, in the future, choose to play a more active role in the affairs of the Hemisphere, so that all may benefit from the talents and energies which the Canadian people have displayed in their vast and beautiful land.

At the outset of my remarks, I referred to the enduring bond between the Americas stemming from our belief and participation in the new world. This should not lead us to overlook what may prove to be an even more enduring and cohesive inheritance—the Western civilization which the new world shares with the old.

Our efforts to perfect the inter-American system, to foster Hemisphere unity, should not be defined in any exclusive sense that would discourage a greater European contribution to the political, cultural, social and economic life of the Americas. For all of us in this Hemisphere are, in a sense, the children of Europe.

And thus we welcome Europe in our Hemisphere, not as a rival for power, but as a partner for progress. We welcome Europe because, like all men who carry a proud inheritance—we know from whence we came.

And we look forward to the time when Latin America may one day assume her role as equal partner of both Europe and North America in the long and enduring search which has really only begun—the search, all over this earth, for a new human chance . . . a truly just and human environment . . . a new world.

A century ago, the Argentine poet José Hernández wrote: "America has a great destiny to achieve in the fate of mankind . . . one day . . . the American alliance will bring world peace . . . America must be the cradle of the great principles which are to bring a complete change in the political and social organization of other nations."

That vision can be fulfilled. A new world can be made.

I give you Franklin Roosevelt's last words: "The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with a strong and active faith."

Mr. Speaker, we all wish for the center a remarkable future.

#### CORN CROP OPTIMISM MISPLACED

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. ZWACH] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

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Mr. ZWACH. Mr. Speaker, I have just returned from an 1,800-mile automobile and bus trip through the prime corn-growing area of the Midwest, part of the time as a member of the Committee on Agriculture factfinding tour.

I have been a farmer, a real black-dirt farmer, all of my life. When I drive through farm country I am on familiar ground, I know what I see.

Mr. Speaker, nowhere, on that 1,800-mile trip, did I see anything to bear out the prediction of the Department of Agriculture that we would have another record corn crop.

In Minnesota and Iowa, the corn crop is weeks behind schedule, and in Minnesota at least, the threat of frost is imminent. In Illinois, reports are that the crop is 2 weeks behind.

What I have seen, what I have observed in the light of my years of experience on the farm, certainly does not warrant an optimistic report. On the contrary, the farmer, faced with a crop in danger of frost, now is faced with the possibility of a depressed price because of the forecast of a heavy crop made by the Department of Agriculture.

In other years when such predictions were made just prior to harvest, the prices declined in the light of the forecast. On our recent factfinding tour, one farmer told me that his local elevator had offered him a price of 55 cents per bushel for his corn over the cost of drying. Mr. Speaker, these are bankrupt prices.

Whatever index is used shows that the farm prices are down, disastrously so. At a recent meeting of the Committee on Agriculture factfinding group in Willmar, Minn., in the Sixth Congressional District, Chairman POAGE said that farm prices this past spring were at their lowest in 33 years.

Mr. Speaker, I contend that our farmers have enough difficulties with the cost-price squeeze without having them pyramided by unrealistic and price-depressing predictions by the very group charged with their welfare, the U.S. Department of Agriculture.

#### TAX REFORM LEGISLATION INTRODUCED

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. BROCK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BROCK. Mr. Speaker, the more complex and impersonal big government gets, the more important it is that every citizen be protected against violations of his rights. The bill which I offer today will provide much needed protection for the average taxpayer. Anyone who has ever struggled with the Federal Tax Code—930 pages of confused and complicated regulations, exceptions, and preferences—will realize the need for new legislation to help out the small taxpayer.

This legislation would authorize the Tax Court to appoint 20 Small Tax Commissioners, two for each tax circuit. Any citizen who is assessed a deficiency—or who has a refund claim—of less than \$2,500, and who feels that the issue is contestable, would be entitled to go before the Small Tax Commissioner in his own behalf, without incurring the expense of a lawyer or accountant. He would be assured that his case would receive a fair and sympathetic hearing since the Commissioners would be completely independent of the Internal Revenue Service.

I have encountered many disturbing reports of how some Internal Revenue agents have confused and intimidated taxpayers in the middle and lower income brackets. That such a thing could happen in America is a disgrace. No U.S. citizen should ever have to fear mistreatment at the hands of his own Government's officials. To guard against any future abuses, and to guarantee that any disputes between citizens and the Internal Revenue Service will be settled in a fair and efficient manner, I am introducing this long-overdue reform to our existing tax laws.

#### FREEDOM OF SPEECH

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. WYMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. WYMAN. Mr. Speaker, it is difficult to understand the motivations of those non-Communists who deliberately abuse our precious freedom of speech in this land by inciting to crime. The first amendment to the U.S. Constitution says merely that Congress shall make no law abridging freedom of speech. Court decisions have extended this to mean that advocacy of criminal conduct may not be abridged if it does not incite to the commission of an overt act of crime.

A new judicial definition is sorely needed here to restrict that element of speech that is demonstrably connected with violence and anarchy. Freedom of speech does not and cannot mean the right to destroy freedom itself. Neither ought the Constitution be so wrongfully interpreted as to constitute the first amendment a license to destroy our system.

Writing in the American Bar Association Journal as a psychiatrist and expert in the field of motivation, Dr. Lawrence C. Salvesen, of West Concord, Mass., has made certain recommendations that would be helpful in achieving a responsible balance in this regard. I commend his statement to the attention of all concerned with this important problem:

RIGHTS OF INDIVIDUALS, NOT EGOTISTIC  
INDIVIDUALISM

(By Lawrence C. Salvesen, M.D.)

As a psychiatrist with several years' experience with courts and treatment centers for delinquent youth, I am appalled at the example and philosophy set by many adults,



especially many lawyers, judges and members of the American Civil Liberties Union, who are so obsessed with the "rights" of the individual that they lose sight of his obligations to respect the rights of others. There must be a balance between the rights of the individual and the rights of society, and that balance must be guarded responsibly by both prosecution and defense. To this effect the spirit of the law must come first, not the letter. Those who hairsplit and are obsessed with the letter of the law often succeed in fostering the art of corner-cutting, manipulating and more successful delinquency.

1. Free speech must be responsible speech, along socially acceptable, productive channels. There can be no room for assaults upon people, property, the law and those things which symbolize our system of dissent under law. Burning effigies of politicians is grossly bad taste, but is limited in implication. Burning one's draft card may show that a young man does not wish to kill, but he may still function productively in some other social role such as working in a hospital. But burning the flag or the Constitution is an attack upon the entire foundation of our social-political system, poor as it may be, but the best man has been able to develop over thousands of years.

2. There must be a more uniform, reasonable and pedagogically educated approach to youth before the courts. The philosophy of appointing a lawyer for all children for all nature of offenses is absurd and will succeed in teaching how to evade the law rather than how to fit into a constructive social role.

3. To throw out of court all criminal confessions or apprehensions obtained by police without informing the suspect of his rights or without getting a warrant is extremely dangerous. It is also unreasonable to expect a policeman always to be so detached and analytical when at great danger to himself he captures the perpetrator of an act of violence. Police are human too, and many have wives and children depending on their staying alive. If under such pressure a policeman engages in search and seizure or obtains a confession, in many cases, it is more appropriate to punish the criminal anyway, and, if circumstances indicate, reprimand and punish the policeman as well.

A hundred years ago so many people believed in states' rights over federal rights that they were willing to fight a civil war for their convictions. We are now almost at the same low level; now the community of individuals is the victim of the egoistic individualist. The proponents of individual license must wake up to reality. Man cannot live alone. Every criminal act, every violation of the system of dissent through law, is an act even against them, their families and the entire social system.

#### RAT CONTROL AMENDMENT—A SUPERIOR APPROACH TO PREVIOUSLY REQUESTED LEGISLATION

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GROVER] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. GROVER. Mr. Speaker, some weeks ago the House rejected the so-called rat control bill, by refusing to pass the resolution to bring the legislation to the floor for debate. During the discussion many remarks of ridicule were made by ardent opponents of the bill.

Although I did not join in the debate I voted against the rule. The bill created a new agency to duplicate existing programs of rat eradication and control already carried on under Federal auspices.

The vote was widely misinterpreted by the news media as a callous reaction without compassion for the residents of areas infested by rats. This, of course, was not so, since most who voted against the legislation did so with firm convictions that it was not good legislation.

My statements to the press and other news media defended the House, but suggested that if the need was there for extended Federal participation in local eradication and control, then the proper approach was to "beef up" existing programs. This we have done today by amendment to the health partnership legislation before us.

I was pleased to vote "aye" on this amendment, consistent with my position of some weeks ago, that the proper procedure was to expand existing programs where needed.

#### WONDERFUL WISCONSIN WEEK

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. LAIRD] is recognized for 10 minutes.

Mr. LAIRD. Mr. Speaker, this week from September 17 to 23 is being observed throughout my home State of Wisconsin as "Wonderful Wisconsin Week." It is a weeklong promotional program emphasizing the assets and attributes of Wisconsin.

The purpose of this statewide salute to Wisconsin is to call attention to those qualities which have made it a desirable place in which to work, live, and vacation. The program is being conducted through local chambers of commerce and several statewide organizations.

Mr. Speaker, the people of Wisconsin are very proud of our State and of its many assets. During "Wonderful Wisconsin Week" there will be activities in all areas of the State and while these programs will be promoting the State's assets, they will at the same time be saluting the people in industry, agriculture, education, and government who are responsible for making Wisconsin such a desirable place in which to live, work, and play.

Mr. Speaker, the symbol of "Wonderful Wisconsin Week" is that confident, cocky, chesty figure named "Bucky Badger." "Bucky," who once was confined solely in sports, today is used to picture the State's high spirits in a number of fields.

Each day in "Wonderful Wisconsin Week" has its own particular emphasis and will be celebrated in all communities.

Last Sunday was Heritage Day; Monday was Education and Youth Day; Tuesday, Government Day; Wednesday through Friday are Wisconsin-at-Work Days; and Saturday will be Hospitality Day.

Today, tomorrow, and Friday, "Wisconsin-at-Work" days offer industry and business a rare opportunity. During this

time open houses, plant visits, and special displays will be encouraged.

Mr. Speaker, "Wonderful Wisconsin Week" is designed to give a tip of the hat to companies that are expanding and a helping hand to those which are starting; at the same time it offers opportunities to plug Wisconsin products, workmanship, and decisionmakers. Our esteemed Governor, Warren P. Knowles, the State chamber of commerce, and all participating organizations deserve hearty congratulations for bringing a wonderful concept to fruition in "Wonderful Wisconsin Week."

#### CUBA AND THE 12TH INTER-AMERICAN MEETING OF CONSULTATION OF FOREIGN MINISTERS

The SPEAKER. Under previous order of the House, the gentleman from Alabama [Mr. SELDEN] is recognized for 60 minutes.

Mr. SELDEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matters, charts, and tables.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SELDEN. Mr. Speaker, the understandable preoccupation throughout the Nation with Vietnam seems to be anesthetizing public and official attitudes toward developments elsewhere.

As chairman of the Subcommittee on Inter-American Affairs, I am particularly conscious of a degree of apathy toward the Meeting of Consultation of Foreign Ministers of the American States which will convene at the Pan American Union on Friday of this week—September 22.

The conference stems from a Venezuelan request that the Organization of American States consider the serious situation confronting the member states as a result of Cuba's persistent subversive and terrorist activities in the hemisphere. Venezuela brought its charges to the OAS after again catching Cuba red-handed in its pernicious attempts to undermine Venezuela's democratic institutions.

On June 19 the OAS Council appointed a five-man Committee to investigate Venezuela's charges. The Committee's report gives a graphic account of Cuba's latest aggression against an American nation. According to the report, early in May a motorship sailing from Santiago, Cuba, and manned by a Cuban crew, transported seven Cubans and nine Venezuelan guerrillas equipped and armed in Cuba to the coast of Venezuela some 70 miles east of Caracas. When one of the two launches that landed the Venezuelans was unable to return to the mother ship because of high waves, the four Cubans who manned the launch had to swim to shore. One was killed on May 11 by Venezuelan army personnel, two were captured, and the fate of the fourth is unknown. The Venezuelan guerrillas escaped capture and presumably joined their comrades operating in nearby mountains.

Particularly startling is the revelation that the Cubans who participated in the subversive mission are members of the Cuban Armed Forces.

In the almost 4 months since Venezuela appealed to the Organization of American States, I have noted a certain resignation with respect to what the OAS can accomplish to halt Cuban provocations. For example, James Nelson Goodsell stated in the *Christian Science Monitor* on July 5:

The question remains: What form of condemnation is possible, since the OAS has taken virtually every action against Cuba permitted under the 1947 Rio Treaty of Reciprocal Assistance—except that of outright invasion of the island, and such a step at this time appears highly unlikely.

Jerry O'Leary, writing in last Sunday's *Washington Star*, declares that the final resolution of the foreign ministers' conference "will land more lightly on Castro than a feather." According to O'Leary:

The OAS has no lack of evidence to support the moral indictment of the Havana regime, including the open declarations of both the Cuban Government and the Latin American Solidarity Organization. More concretely, there are the statements of live Cuban agent provocateurs, gun caches traceable to Cuba and the sporadic bloodshed that still continues in Colombia, Venezuela, Guatemala, Nicaragua and Bolivia between Castroite gangs and the national forces.

In spite of clear evidence that Castro is an acknowledged aggressor, the OAS can agree openly on little more than an effort to mobilize world opinion against him and to hint broadly to nations trading with Cuba that such commerce is profoundly distasteful.

Goodsell's and O'Leary's comments accurately reflect the prevailing climate in OAS circles.

I have seen no indications that we are going into the meeting of consultation prepared to effectively confront the issues Venezuela has raised.

It may be that the war in Vietnam so overshadows developments elsewhere, so consumes the time of key officials in the State Department and the White House, that no one has given much thought to new concrete measures to halt Cuba's subversion in Latin America.

It may be that the actions emanating from Cuba seem so feeble compared with Vietcong depredations that forceful collective measures against Cuba appear unnecessary.

It may be that, given the overwhelming demands of Vietnam, we have little heart for another frustrating round of trying to reconcile the divergent views of the Latin American countries to get agreement on meaningful collective action.

Or it may be, as has been suggested to me, that this is Venezuela's show and that it is felt that results will be achieved more readily if the Latin Americans themselves take the initiative.

Whatever the reasons for the apathetic approach to the 12th meeting of consultation, certain facts must be kept in mind.

Since 1960, Venezuela has been a primary target of Communist subversion directed and supported by the Castro regime in Cuba. Initially, the Communists resorted mainly to urban terrorism

and sabotage of oil installations. For more than 2 years bombings and killings were almost daily events in Caracas. The Communist objective was to create enough turmoil to discredit the democratically elected Betancourt government and to provoke a military coup.

In 1963 the Venezuelan authorities discovered a 3-ton arms cache and a plan to use the smuggled weapons to capture the city of Caracas while the Venezuelan army was guarding polling places throughout the country during elections. Cuban involvement in the plot led the OAS to invoke diplomatic and economic sanctions against Cuba.

But still Cuba persisted. In 1964 the Communists shifted operations in Venezuela from urban to rural areas. By the end of that year guerrilla bands were operating in remote regions in eight of Venezuela's 20 states. In addition to guerrilla actions, the Communists resorted to frequent acts of terrorism and sabotage including the assassination of Government officials, members of the armed forces and the police, farmworkers, and other private citizens; attacks on farms, private homes, business establishments; and the destruction of oil pipelines and other public and private installations.

In December 1966 the Venezuelan Government decided to crack down on the Central University in Caracas. Caracas University, like many other Latin American universities, enjoyed autonomy and extraterritoriality, a status many Latin Americans consider essential to academic freedom. With police forbidden to enter the campus, Communists had converted the grounds into a sanctuary for terrorists. One dormitory at Central University was dubbed "Stalingrad" by foreign correspondents because it had become an armed camp into which young, and not so young, terrorists fled to escape the police. When Venezuelan Army troops occupied Central University they seized 20 machineguns, quantities of smaller weapons, hand grenades, ammunition, military and police uniforms, false passports, a Cuban flag, guerrilla films processed in the Soviet Union, and files on guerrilla units based in the mountains.

Presently, two guerrilla bands operate in Venezuela, one in Falcon state to the west of Caracas and one in the El Bachiller range to the east. It is estimated that there are about 450 active guerrillas.

While Venezuela has been the main target of Cuban-Communist subversion, several other countries have been singled out for guerrilla operations. In Colombia, two main guerrilla bands operate; the Army of National Liberation has some 100 men in the northeast while the Colombian Revolutionary Army has perhaps double the number in the southwest. The level of violence in Colombia has been higher than during 1966. In March and April, for instance, Communist guerrillas killed over 50 security force personnel in five widespread incidents, including ambush of army patrols, an attack on a police post, and a train robbery.

In Guatemala there are two guerrilla groups totaling about 300 men. During

1966 sporadic attacks against Guatemalan Government installations and army convoys in a mountain region in eastern Guatemala, coupled with urban terrorism and kidnappings, seriously threatened the nation. The death in an automobile accident of Turcios Lima, colorful leader of one of the guerrilla groups, as well as stepped-up counter-insurgency measures, have reduced the guerrilla's effectiveness, at least temporarily.

The latest guerrilla movement is in Bolivia, in rough jungle terrain in the southeastern portion of the country. In March, a 22-man Bolivian Army patrol was ambushed just north of the mining camp of Camiri and seven were killed. An encounter between army forces and guerrillas in the same general area in April demonstrated that the insurgents are well armed and trained. It is in that vicinity that a French Marxist, Jules Regis Debray, was captured. I shall have more to say about Debray later.

Mr. Speaker, from April through June, the Subcommittee on Inter-American Affairs held a series of hearings on Communist activities in Latin America. One salient fact emerged: Fidel Castro is determined to extend guerrilla activity throughout Latin America.

Subsequently, from July 28 to August 11, Castro hosted a meeting of the Latin American Solidarity Organization. The Cuban-sponsored LASO consists of representatives of 27 Communist and extremist movements in Latin America. Formed after the Tricontinental Conference of January 1966, LASO represents Castro's chosen instrument for generating violence throughout the region.

It has been reported that President Johnson and Soviet Premier Kosygin discussed Cuban aid to Latin American guerrillas in their June Glassboro meetings. According to Vice President HUMPHREY, President Johnson told Kosygin that the United States "took a very dim view" of Cuba's export of arms and activists to neighboring countries. Kosygin was asked to take up the matter with Castro in Havana and, according to Vice President HUMPHREY, "he did, and very firmly."

If the Soviet Premier did admonish Castro about Cuba's subversive actions in the hemisphere, the lecture has had no effect. Indeed, at the LASO Conference, Castro made clear that he no longer would be content with the role of a Soviet satellite. Instead, Castro rebuked the Soviet Union for seeking peaceful trade relations with the very countries whose governments he is determined to overthrow, and he was contemptuous of the traditional Communist Parties in Latin America for pursuing the classic Soviet approach of organizing cells, organizing workers, agitating, and spreading propaganda.

At the very time Communist-bloc trade delegations were fanning out in search of trade relations in Latin America, Castro declared in his final address to the conference:

Let no one dream that he will achieve power peacefully in any nation on this continent . . . The essence of the matter lies in whether the masses are to be made to believe



that the revolutionary movement—that socialism—is going to achieve power peacefully. This is a lie, and those who say in any place in Latin America that they are going to achieve power peacefully will be deceiving the masses.

On the eve of the LASO conference, Pravda published an attack on Castro's theory of "revolution now" written by Luis Corvalan, leader of the Chilean Communist Party. Mr. Corvalan invoked Lenin in his article to show where the Russians think Castro's approach is wrong:

Lenin warned against the danger of adventures which, as a rule, lead to the useless loss of valuable lives of revolutionaries and to a retreat of that movement.

The majority of the orthodox Communist leadership in Latin America boycotted the LASO conference. In several cases the parties split, with the extreme militants sending a delegation to Havana.

Although Communists of the Moscow persuasion were outnumbered at the conference, enough information has leaked out of the secret working sessions to indicate that they put up a defense for the orthodox Communist approach. In the end, however, LASO adopted Castro's demand for guerrilla "wars of liberation" to rid Latin America of "Yankee imperialism."

The final LASO resolution is a manifesto for violence. Here are a few samples:

Essentially, the most effective form of solidarity consists of the struggle in one's own country. Each new fighting front which is opened and strikes at imperialism is a contribution to the defeat of the reactionary forces.

The practice of solidarity in Latin America must be directed particularly toward the peoples who are engaged in armed combat against imperialism . . . for the liberation of all the peoples of the continent will depend on the success of the revolutionary armed movement.

Effective solidarity must also be expressed in material, concrete aid for the armed movements, as well as by publicizing the struggles in those countries where the degree of confrontation with imperialism is most acute.

Castro's theory for conquest of Latin America is spelled out in a small volume entitled "Revolution in the Revolution," written by Jules Regis Debray, a 26-year-old French Marxist who has held a chair in philosophy at Havana University since last year. According to Debray's French publisher, the book was read and checked by Fidel Castro before it appeared. According to the foreword in the English edition, Debray "has succeeded in presenting to the world an accurate and profound account of the thinking of the leaders of the Cuban revolution."

Doubtless Debray does faithfully represent Castro's and Guevara's views on revolutionary theory and practice. As such, his book presents a clear blueprint of Cuban designs in the Western Hemisphere. It is a chilling compendium of systematic violence, absolutely devoid of human compassion or respect for life. Nowhere does he discuss the purposes of revolution; in fact, he is contemptuous of the peasants in whose interests the violence is ostensibly advocated. His

single purpose is seizure of power by bloodshed for the imposition of Communist regimes.

Debray finds both the Moscow and Peking-North Vietnamese tactics unsuitable for Latin America. He urges revolutionaries to look to the Cuban experience for inspiration. Debray outlines the lesson Havana teaches with cold precision:

(1) Guerrilla warfare is the only effective way to start a revolution;

(2) Insurrection must be launched by a very small band of men, in the most inaccessible terrain; they must keep constantly on the move;

(3) The guerrilla band must avoid contact with the local population as much as possible, neither seeking its help nor seeking to protect it against reprisals. Secrecy must be absolute. It should not set up permanent installations since providing for its own needs hampers mobility. It should supply itself by occasional forays on neighboring towns;

(4) The ultimate goal is seizure of power; the immediate goal is a maximum of military action.

(5) The first aim of action is to capture weapons from the authorities. The second is to demonstrate power to the peasants, who are not impressed by words, however inflammatory. Peasants are impressed when the rebels kill officials, and will join the movement when they are convinced this can be done effectively;

(6) Forget political programs which only weaken the movement. Military action creates a revolutionary movement, not the other way around. The military leaders must have complete control.

Debray's recent capture in Bolivia in the midst of the newest outbreak of guerrilla activity in the hemisphere strongly suggests that Debray was participating in a practical demonstration of Havana's "third way" to Communist power.

Nor can we take comfort from the fact that Moscow and Havana are squabbling over tactics. The major prop under Cuba's sagging economy is still the \$360 million in economic aid that the Soviet Union provides annually. But it is unlikely that Moscow will abandon its only Communist beachhead in the Western Hemisphere because of a dispute over strategy. Castro, in clashing with the Soviet position, obviously figures it's safe to nip the hand that feeds him.

Above all, Moscow's and Havana's goals remain the same—seizure of power and the installation of Communist regimes throughout Latin America hostile to the United States. Soviet theoreticians may believe that Cuba's "third way" is doomed to costly failure, and old-guard Communist leaders in Latin America may resent and reject the young guerrillas who look to Havana for support, but any extremist activities that weaken the region can only be welcomed by the Kremlin.

It is against this background that the Foreign Ministers of the American States will conduct their 12th meeting of consultation.

In the past I have been critical of the slowness of the inter-American security system to face up to the threat of Castro-communism. However, I was heartened by the toughening attitude of the Foreign Ministers at the ninth meeting of consultation in July 1964. At that

meeting, the American states finally recognized that Cuban-inspired subversion constituted "aggression" within the terms of the Inter-American Treaty of Reciprocal Assistance. Once that juridical obstacle was hurdled, the meeting of consultation voted to invoke against Cuba the sanctions provided in the treaty; that is, severance of diplomatic and consular relations; suspension of all trade, except in foodstuffs, medicines, and medical equipment that may be sent for humanitarian reasons; and the suspension of all sea transportation between the member countries and Cuba, except as may be necessary for humanitarian reasons.

The final act of the ninth meeting of consultation also urged other states "that are animated by the same ideals as the inter-American system to examine the possibility of effectively demonstrating their solidarity in achieving the purposes of this resolution." In effect, the American Republics asked the cooperation of our non-Western Hemisphere allies in making effective the trade quarantine of Castro's Cuba.

The ninth meeting of consultation also warned the Government of Cuba, and I quote:

That if it should persist in carrying out acts that possess characteristics of aggression and intervention against one or more of the member states of the Organization, the member states shall preserve their essential rights as sovereign states by the use of self-defense in either individual or collective form, which could go so far as resort to armed force, until such time as the Organ of Consultation takes measures to guarantee the peace and security of the hemisphere.

Meanwhile Castro has made clear his defiance of the Organization of American States. Indeed, he has openly declared subversive war on the hemisphere.

Involvement of members of the Cuban Armed Forces in the episode that inspired Venezuela to bring the matter to the OAS once again indicates how determined the Cuban Government is to export Communist revolution to the Continent.

Admittedly Castro's tactics do not at this time constitute a physical threat to the United States or for that matter to such nations as Mexico, Argentina, or Brazil. Even in those countries that have been targeted for Cuba-supported insurgency, the government may not, for the moment, be in any real danger of being overthrown.

Nevertheless, the guerrilla operations and the incessant kidnappings, bombings, assassinations, and robberies inspired and supported by Cuban agents and exhortations constitute more than a petty annoyance to those countries which must endure them. Beside the tragic loss of lives and property, such actions complicate the already monumental task of bringing economic and social progress to societies in transition. They create fear and instability, driving out domestic capital and talent and inhibiting foreign investment. They force the diversion of precious resources to counterinsurgency and police operations. They absorb the attention of public

officials and deflect their efforts from pressing social and economic development tasks.

Does an American nation undergoing aggressive harassment have to wait until its situation becomes as spectacular as in Vietnam before the inter-American regional system will exercise its security functions? After all, the purpose of the OAS is to prevent conditions from deteriorating to the point where frantic measures are necessary.

We should ask ourselves how long the United States would tolerate the kind of hostile incursions other nations in this hemisphere are being subjected to by Castro's arrogant lawlessness. I do not think we would stand still for long while the OAS debated over whether the collapse of our Government was imminent enough to warrant collective action.

It is not inconceivable, then, that the patience of other countries may one day snap, and that they will decide to resort to individual action to assure their own tranquility. Who could fault them?

The end result could be the tragic collapse of the entire framework for maintaining hemisphere peace and security, with each American nation scurrying to beef up its armed forces as the carefully constructed inter-American legal inhibitions on resort to force unravel.

Obviously, the sanctions adopted by the ninth meeting of consultation have not caused the Cuban Government to desist from its aggressive actions. But there is no reason to denigrate the efforts of the OAS or to lose heart in the efficacy of collective measures. The OAS economic denial policy and diplomatic isolation have helped measurably to reduce the ability of Castro and his cohorts to pursue their nefarious activities in the hemisphere.

What is needed now is an examination of the weaknesses in the sanctions demonstrated by experience, and a determination to remedy those weaknesses and intensify the pressures.

For the foreign ministers to come up with a final resolution "as toothless as an Amazonian anteater," as Jerry O'Leary predicts in Sunday's Washington Star, would be a shameful and tragic admission of impotence. Those members of the OAS who have not themselves felt the brunt of Cuba's machinations, or who feel smug comfort in their ability to handle their own extremists, or who secretly expect the United States to rescue a threatened neighbor—while they publicly decry unilateral U.S. intervention—are inviting the demise of the hemisphere collective security system.

I am convinced that the American Republics have not exhausted all collective measures, short of armed force, to reduce Cuba's capacity to export violence.

Consider the policy of economic denial adopted by the ninth meeting of consultation in 1964. While the policy is effective insofar as direct trade and shipping between Cuba and member countries are concerned, nonmember trade and shipping with Cuba presents a serious problem.

Of Cuba's trade, about \$1.58 billion in 1966, about 77 percent, was with the

Soviet Union and Eastern Europe, including about \$370 million in Soviet aid in the form of long-term credits and sugar price subsidies. The remaining 23 percent was with non-Communist countries outside the hemisphere, or about \$360 million in 1966. A portion of this trade was financed by government guaranteed exporter credits.

In order of importance, the countries trading with Cuba were Spain, Canada, the United Kingdom, Japan, France, the United Arab Republic, the Benelux countries, Morocco, Italy, Sweden, and West Germany.

At this point I would like to insert for the RECORD a table showing the dollar amounts of the trade of these countries with Cuba in 1966:

[In millions of dollars]

	Export to Cuba (f.o.b.)	Imports from Cuba (c.i.f.)
Spain.....	79.0	38.0
Canada.....	166.0	5.0
United Kingdom.....	23.0	13.0
Japan.....	6.0	23.0
France.....	15.0	10.0
United Arab Republic.....	6.0	17.0
Benelux.....	14.0	8.0
Morocco.....	7.0	13.0
Italy.....	10.0	9.0
Sweden.....	3.0	8.0
West Germany.....	6.0	1.0

<sup>1</sup> About \$48,000,000 of this is for wheat and flour sold to the Soviet Union on behalf of Cuba.

Restrictions in the U.S. Foreign Assistance and Food for Peace Acts against furnishing any assistance to countries trading with Cuba have served as a deterrent in many of the less-developed countries. Meanwhile, some other countries have heeded the 1964 OAS call for cooperation in the economic denial policy and the subsequent diplomatic approaches by the United States and several Latin American countries.

But it is evident that the principal limitation upon countries engaged in the Cuban trade has been largely Castro's insufficient funds. Those Western European countries who are heavily engaged in the Cuban trade are enabled to do so through the extension of Government-guaranteed credits.

Spain has sold Cuba a large number of ships ranging from several 10,000 tonners to fishing trawlers, extending about \$40 million in credits for the ship deal.

France is another big giver of credit to Cuba, providing about \$35 million in Government-guaranteed credits for earthmoving equipment such as bulldozers and roadgraders.

The United Kingdom is furnishing between \$40 and \$50 million in Government-guaranteed exporter credits for the construction of a fertilizer plant in Cuba.

There has been greater success in dissuading free world shipping from plying the Cuban trade, and U.S. denial of Government cargoes and bunkers to ships in that trade has been a factor. Nevertheless, some 270 free world vessels have arrived in Cuba since January 1, 1963, based on information received through August 30, 1967. At this point, I would like to include for the RECORD the list of

those free world ships compiled by the Maritime Administration in compliance with legislation making listed vessels ineligible to carry U.S. Government-financed cargoes from the United States:

LIST OF FREE WORLD AND POLISH FLAG VESSELS  
ARRIVING IN CUBA SINCE JANUARY 1, 1963

Section 1. The Maritime Administration is making available to the appropriate Departments the following list of vessels which have arrived in Cuba since January 1, 1963, based on information received through August 30, 1967, exclusive of those vessels that called at Cuba on United States Government-approved noncommercial voyages and those listed in section 2. Pursuant to established United States Government policy, the listed vessels are ineligible to carry United States Government-financed cargoes from the United States.

Flag of registry and name of ship

	Gross tonnage
Total, all flags (270 ships) ..	1,943,181
British (76 ships) ..	574,419
Amalia (now Maltese) ..	
Amazon River (broken up) ..	7,234
Antarctica ..	8,785
Arctic Ocean ..	8,791
Ardenode (now Tynlee, Panamanian) ..	7,036
Ardgen (now Kelso, British) ..	6,981
Ardmore (now Kali Elpis, British) ..	4,664
Ardpatrick (now Haringhata, Pakistani) ..	7,054
Ardrossmore ..	5,820
Ardrowan ..	7,300
Ardsirod (broken up) ..	7,025
Ardara (now Rosetta Maud, British) ..	5,795
Arlington Court (now Southgate, British) ..	
Athelcrown (tanker) ..	11,149
Athelduke (tanker, broken up) ..	9,089
Athelknight (tanker, broken up) ..	9,087
Athelmere (tanker) ..	7,524
Athelmonarch (tanker) ..	11,182
Athelsultan (tanker, broken up) ..	9,149
Avisfaith ..	7,868
Baxtergate ..	8,813
Cheung Chau ..	8,566
Chipbee (broken up) ..	7,271
Cosmo Trader (trips to Cuba under ex-name Ivy Fair, British) ..	
Dalren (now Agate, Panamanian) ..	4,939
East Breeze (now Maulabaksh, Pakistani) ..	
Eastfortune ..	8,789
Eastglory ..	8,995
Elicos (broken up) ..	7,134
Formenter (now Dorine Papiilos, Cypriot) ..	
Fortune Enterprise ..	7,284
Free Enterprise (now Cypriot) ..	
Free Merchant (now Cypriot) ..	
Garthdale (now Jeb Lee, British) ..	7,542
Glenmoor ..	7,792
Grosvenor Mariner (now Red Sea, British) ..	
Hazelmoor ..	7,907
Helka (now Anna Maria, Greek) ..	2,111
Hemisphere ..	8,718
Ho Fung ..	7,121
Huntsfield ..	9,483
Huntsland ..	9,353
Huntsmore ..	5,678
Huntsville ..	9,486
Inchstafta (now Nankwang, British) ..	5,255



## Flag of registry and name of ship—Continued

	Gross tonnage
British—Continued	
Inchstaart	7,043
Ivy Fair (now Cosmo Trader, British, broken up)	7,201
Jeb Lee (trip to Cuba under ex-name Garthdale, British)	
Jollity	8,660
Kali Elpis (trips to Cuba under ex-name Ardmore, British)	
Kelso (trips to Cuba under ex-name Ardgem, British)	
Kinross	5,388
La Hortensia	9,486
Linkmoor	8,236
Loradore (now Allartos, Greek)	8,078
Magister	2,339
Nancy Dee	6,597
Nankwang (trip to Cuba under ex-name Inchstaffa, British)	
Nebula	8,924
Newdene (now Free Navigator, Cypriot)	
Newforest (now Cypriot)	
Newgate	6,743
Newglade	7,368
Newgrove (now Cypriot)	
Newheath	7,643
Newhill	7,855
Newlane	7,043
Newmeadow (now Cypriot)	
Newmoat	7,151
Newmoor	7,168
Oceanramp	6,185
Oceantravel	10,477
Peony	9,037
Phoenician Dawn (now Maulabakash, Pakistani, previous trips to Cuba under ex-name East Breeze, British)	8,708
Red Sea (previous trip to Cuba under ex-name Grosvenor Mariner, British)	7,026
Redbrook (now E. Evangelia, Greek)	7,388
Rosetta Maud (trips to Cuba under ex-name Ardtara, British)	
Ruthy Ann	7,361
St. Antonio (now Maltese)	
Sandsend	7,236
Santa Granda	7,229
Sea Amber	10,421
Sea Coral	10,421
Sea Empress	8,941
Seasage	4,330
Shienfoon	7,127
Shun Fung (wrecked)	7,148
Soclyve (now Maltese)	
Southgate (previous trips to Cuba under ex-name Arlington Court, British)	9,662
Suva Breeze (now Cathay Trader, Panamanian)	4,970
Swift River (now Kallithea, now Cypriot)	
Timlos Stavros (now Maltese flag, previous trips to Cuba, Greek)	
Venice	8,611
Vercharmian	7,265
Vergmont	7,381
Yungfutary	5,388
Yunglutaton	5,414
Zela M. (now Cypriot)	
Lebanese (49 ships)	333,111
Aiolos II, (now Cypriot)	7,256
Ais Gianni (broken up)	6,997
Akamas (now Cypriot)	
Al Amin (now Fortune Sea, Panamanian)	7,186
Alaska	6,989
Anthas (broken up)	7,044
Antonis	6,259
Ares (constructive total loss)	4,557
Areti (now Cypriot)	

## Flag of registry and name of ship—Continued

	Gross tonnage
Lebanese—Continued	
Aristefs (now Tung Yih, Panamanian)	6,995
Astir	5,324
Athamas (now Cypriot, broken up)	4,729
Carnation (broken up)	4,884
Claire	5,411
Cris	6,032
E. Myrtidiotissa (aground, trips to Cuba under ex-name Kalliope D. Lemos, Lebanese)	
Free Trader (now Cypriot)	
Giannis	5,270
Giorgos Tsakiroglou	7,240
Granikos	7,282
Ilena	5,925
Ioannis Aspiotis	7,297
Kalliope D. Lemos (now E. Myrtidiotissa, Lebanese)	5,103
Katerina	9,357
Leftric (sunk)	7,176
Mantric	7,255
Maria Despina (broken in two)	7,254
Maria Renee (broken up)	7,203
Marichristina	7,124
Marika (now Cypriot)	7,253
Marymark (broken up)	4,383
Mersinidi (broken up)	6,782
Mousse	9,307
Nictic	7,296
Noelle	7,251
Noemi (aground, total loss)	7,070
Oiga (now Greek)	
Panagos	7,133
Parmarina	6,721
Razani (broken up)	7,253
Reneka (now San Carlo, Panamanian, broken up)	7,250
Rio	7,194
St. Anthony (broken up)	5,349
St. Nicolas (broken up)	7,165
San Spyridon	7,260
Stevo	7,066
Tertric	7,045
Theodoros Lemos	7,198
Tony	7,176
Toula	6,426
Trojan	7,243
Vassiliki (now Cypriot)	
Vastric (broken up)	6,751
Vergolivada	6,339
Yanxilas	10,051
Greek (36 ships)	273,190
Agios Therapon	7,205
Akastos (now Cypriot)	
Allartos (trip to Cuba under ex-name Loradore, British)	
Alice	7,189
Ambassade (broken up)	8,600
Americana (broken up)	7,104
Anacreon (now White Dalsey, Panamanian)	7,359
Anatoli (now Sunrise, Cypriot)	
Andromachi (previous trips to Cuba under ex-name Penelope, Greek)	6,712
Anna Maria (trips to Cuba under ex-name Helka, British)	
Antonia (now Amfithea, Cypriot)	
Apollon	9,744
Athanassios K	7,216
Barbarino	7,084
Calliope Michalos	7,249
Embassy (broken up)	8,418
E. Evangelia (trips to Cuba under ex-name Redbrook, British)	
Eftychia	10,865
Eretria	7,199
Gloria (now Helen, Greek)	
Helen (previous trips to Cuba under ex-name Gloria, Greek, broken up)	7,128

## Flag of registry and name of ship—Continued

	Gross tonnage
Greek—Continued	
Irena	7,232
Istros II (broken up)	7,275
Kapetan Kostis (broken up)	5,032
Kyra Hariklia (broken up)	6,888
Maria Theresa (now Ingrid Anne, South African)	7,245
Marigo (now Amfitriti, Cypriot)	7,147
Maroudio (now Thalle, Panamanian)	7,369
Mastro-Stellos II (now Wendy H., South African)	7,282
Mery	7,258
Nicolaos F. (previous trip to Cuba under ex-name Nicolaos Frangistas, Greek)	7,199
Nicolaos Frangistas (now Nicolaos F., Greek)	
Nikolis M.	7,176
Olga (previous trips to Cuba, Lebanese)	7,199
Pantanassa	7,131
Paxoi (broken up)	7,144
Penelope (now Andromachi, Greek)	
Presvia (broken up)	10,820
Redestos	5,911
Roula Maria (tanker)	10,608
Selrios (broken up)	7,239
Sophia	7,030
Stylianos N. Vlassopoulos (now Antonia II, Cypriot)	7,303
Timios Stavros (formerly British flag, now Maltese)	
Tina	7,362
Western Trader	9,268
Polish (20 ships)	143,460
Baltyk	6,963
Bialystok	7,173
Bytom	5,967
Chopin	9,148
Chorzow	7,237
Energetyk	10,843
Grodziec	3,379
Huta Florian	7,258
Huta Labedy	7,221
Huta Ostrowiec	7,175
Huta Zgoda	6,840
Hutnik	10,897
Kopalnia Bobrek	7,221
Kopalnia Cziadz	7,252
Kopalnia Miechowice	7,223
Kopalnia Slemianowice	7,165
Kopalnia Wujek	7,033
Piast	3,184
Rejowiec	3,401
Transportowiec	10,880
Cypriot (29 ships)	204,346
Acme	7,159
Adelphos Petrakis (broken up)	7,170
Agenor	7,139
Aiolos II (trips to Cuba, Lebanese)	
Akamas (previous trips to Cuba, Lebanese)	7,285
Akastos (previous trip to Cuba, Greek)	7,331
Aktor (sunk)	6,993
Amfiali	7,110
Amfithea (previous trip to Cuba under ex-name Antonia, Greek)	5,171
Amfitriti (trip to Cuba under ex-name Marigo, Greek)	
Amon	7,229
Angeliki	8,482
Antonia II (trip to Cuba under ex-name Stylianos N. Vlassopoulos, Greek)	
Apollonian	7,284
Apostolos Andreas	5,357
Areti (previous trips to Cuba, Lebanese)	7,176

## Flag of registry and name of ship—Continued

	Gross tonnage
Cypriot—Continued	
Antemiela	7,247
Athamas (trips to Cuba Lebanese, broken up)	
Dorine Papillos (previous trips to Cuba under ex-name Formentor, British)	8,424
E. D. Papalios	9,431
El Toro	5,949
Free Enterprise (previous trips to Cuba, British)	6,807
Free Merchant (previous trips to Cuba, British, sunk)	5,237
Free Navigator (previous trips to Cuba under ex-name Newdene, British)	7,181
Free Trader (previous trips to Cuba, Lebanese)	7,067
Kallithea (previous trips to Cuba under ex-name Swift River, British, broken up)	7,251
Marika (trip to Cuba, Lebanese)	
Mparmpamarcos	7,239
Newforest (previous trips to Cuba, British)	7,185
Newgrove (previous trips to Cuba, British and Haitian, constructive total loss)	7,172
Newmeadow (previous trips to Cuba, British, sunk)	5,654
Sunrise (previous trips to Cuba under ex-name Anatoli, Greek)	7,187
Vassiliki (previous trips to Cuba, Lebanese)	7,192
Zela M. (previous trips to Cuba, British)	7,237
Italian (17 ships)	148,693
Achille	6,950
Agostino Bertani	8,380
Andrea Costa (tanker, broken up)	10,440
Aspromonte (broken up)	7,154
Atria (tanker)	12,845
Caprera	7,189
Elia (tanker)	11,377
Fucinatore	12,790
Geremia (previous trips to Cuba under ex-name Mariasusanna, Italian)	2,479
Giuseppe Gulletti (tanker)	17,519
Graziella Zeta (trips to Cuba under ex-name Montiron, Italian)	
Mariasusanna (now Geremia, Italian)	
Montiron (now Graziella Zeta, Italian)	1,595
Nazareno (broken up)	7,173
Nino Bixio	8,427
San Francesco	9,284
San Nicola (tanker)	12,461
Santa Lucia	9,278
Somalia (now Chung Thal, Panamanian)	3,352
Yugoslav (11 ships)	77,585
Bar (broken up)	7,233
Cetinje	7,200
Dugi Otok (broken up)	6,997
Kolasin	7,217
Mojkovac	7,125
Piva	7,519
Plod	3,657
Promina (broken up)	6,960
Subicevac	9,033
Tara	7,499
Treblnjica (wrecked)	7,145
French (10 ships)	52,535
Arsinoe (tanker, sunk)	10,426
Atlanta (trip to Cuba under ex-name Enee, French)	

## Flag of registry and name of ship—Continued

	Gross tonnage
French—Continued	
Avranches (now Avranchoise, Panamanian)	7,282
Circe	2,874
Enee (now Atlanta, French)	1,232
Foulaya	3,739
Mungo	4,820
Nelee	2,874
Neve (now Drame Oumar, Guinean)	852
Penja <sup>1</sup>	3,777
Senanque (tanker)	14,659
Moroccan (5 ships)	35,828
Atlas	10,392
Banora (sunk)	3,082
Marrakech	3,214
Mauritanie	10,392
Toubkal	8,748
Maltese (5 ships)	33,788
Amalia (previous trips to Cuba, British)	7,304
Ispahan	7,156
St. Antonio (broken up, previous trip to Cuba, British)	6,704
Soclyve (previous trips to Cuba, British)	7,291
Timios Stavros (previous trips to Cuba, British and Greek)	5,333
Finnish (6 ships)	43,845
Atlas	3,916
Augusta Paulin	7,096
Hermia (trip to Cuba under ex-name Amfred, Swedish)	
Jytte Paulin <sup>1</sup>	7,010
Margrethe Paulin	7,251
Ragni Paulin	6,823
Sword (tanker)	11,749
Netherlands (2 ships)	999
Meike	500
Tempo	499
Swedish (2 ships)	9,318
Amfred (now Hermia, Finnish)	2,828
Dagmar (now Ball Mariner, Panamanian)	6,490
Monaco (1 ship) Saint Lys (broken up)	7,314
Norwegian (1 ship) Tine (now Jezreel, Panamanian flag, wrecked)	4,750
Guinean: Drame Oumar, (trip to Cuba under ex-name Neve, French)	
Haitian: Newgrove, (now Cypriot)	
Pakistan:	
Haringhata (trip to Cuba under ex-name Ardpatrik, British)	
Maulabaksh (trip to Cuba under ex-name Phoenician Dawn and East Breeze, British)	
Panamanian:	
Agate (trips to Cuba under ex-name Dairen, British)	
Avranchoise (trips to Cuba under ex-name Avranches, French)	
Ball Mariner (trips to Cuba under ex-name Dagmar, Swedish)	
Cathay Trader (trips to Cuba under ex-name Suva Breeze, British)	

## Flag of registry and name of ship—Continued

	Gross tonnage
Panamanian—Continued	
Chung Thal (trips to Cuba under ex-name Somalia, Italian)	
Fortune Sea (trips to Cuba under ex-name Al Amin, Lebanese, broken up)	
Jezreel (trip to Cuba under ex-name Tine, Norwegian, wrecked)	
San Carlo (trip to Cuba under ex-name Rerekga, Lebanese, broken up)	
Thalie (trip to Cuba under ex-name Maroudio, Greek)	
Tung Yih (trip to Cuba under ex-name Aristefs, Lebanese)	
Tynlee (trip to Cuba under ex-name Ardenode, British)	
White Daisey (trips to Cuba under ex-name Anacreon, Greek)	
South African:	
Ingrid Anne (trip to Cuba under ex-name Maria Theresa, Greek)	
Wendy H. (trip to Cuba under ex-name Mastro-Stelio II, Greek)	

<sup>1</sup> Added to Rept. No. 82, appearing in the Federal Register issue of Aug. 11, 1967.

Section 2. In accordance with approved procedures, the vessels listed below which called at Cuba after January 1, 1963, have reacquired eligibility to carry United States Government-financed cargoes from the United States by virtue of the persons who control the vessels having given satisfactory certification and assurance:

(a) That such vessels will not, thenceforth, be employed in the Cuba trade so long as it remains the policy of the United States Government to discourage such trade; and

(b) That no other vessel under their control will thenceforth be employed in the Cuba trade, except as provided in paragraph (c); and

(c) That vessels under their control which are covered by contractual obligations, including charters, entered into prior to December 16, 1963, requiring their employment in the Cuba trade shall be withdrawn from such trade at the earliest opportunity consistent with such contractual obligations.

## Flag of registry, name of ship

	Gross Tonnage
a. Since last report: Norwegian (1 ship) Ole Bratt	5,252
b. Previous reports:	
Flag of registry:	Number of ships
Total	104
British	41
Cypriot	2
Danish	1
Finnish	2
French	1
German (West)	1
Greek	27
Israeli	1
Italian	5
Japanese	1
Kuwaiti	1
Lebanese	9
Norwegian	4
Spanish	6
Swedish	1
Yugoslav	1

Section 3. The ships listed in sections 1 and 2 have made the following number of trips to Cuba since January 1, 1963, based on information received through August 30, 1967:



Flag of registry	1963	1964	1965	1966	1967					Total
					January-April	May	June	July	August	
British.....	133	180	126	101	30	8	6	6	2	592
Lebanese.....	64	91	58	25	8	1		1	1	249
Greek.....	99	27	23	27	14	2	3	2		197
Italian.....	16	20	24	11	3	1	2	1		78
Cypriot.....		1	17	27	11	2	4	7	1	70
Yugoslav.....	12	11	15	10	3	1	2	1		55
French.....	8	9	9	10		1			3	40
Finnish.....	1	4	4	11	4	1	1	1		29
Spanish.....	8	17								25
Norwegian.....	14	10								24
Moroccan.....	9	13	1							23
Maltese.....		2	6	1	3					12
Netherlands.....		4	2							6
Swedish.....	3	3								6
Kuwaiti.....		2	1							3
Israeli.....			2							2
Danish.....	1									1
German (West).....	1									1
Haitian.....			1							1
Japanese.....	1									1
Monaco.....				1						1
Subtotal.....	370	394	290	224	76	17	18	19	8	1,416
Polish.....	18	16	12	10	3	2		2		63
Grand total.....	388	410	302	234	79	19	18	21	8	1,479

Note: Trip totals in this section exceed ship totals in secs. 1 and 2 because some of the ships made more than 1 trip to Cuba. Monthly totals subject to revision as additional data become available.

By Order of the Acting Maritime Administrator.

Date: September 1, 1967.

JAMES S. DAWSON, Jr.,  
Secretary.

Mr. Speaker, some with whom I have discussed the matter of free world trade and shipping profess to see some utility in using a new OAS condemnation of Cuba to convince free world countries outside the Western Hemisphere to discontinue transactions with Cuba. Their expectation is either wishful thinking or an attempt to put a patina of accomplishment on the Twelfth Meeting of Consultation.

I find it hard to believe that those countries that have continued to deal with Castro's Cuba, despite past pleas, will be dissuaded by further evidence or entreaties. They have never shared our anxiety over Cuba's machinations in Latin America. They have always considered our estimate of the dangers posed by the Castro regime exaggerated. Even after the Cuban missile crisis, some of our European allies saw the showdown with the Soviet Union as proof that the United States, unilaterally, could handle any really serious eventuality. It is unlikely, then, that they will sacrifice lucrative business with Cuba to assuage what they regard as a U.S. obsession.

It is up to the American Republics to put teeth into any regional collective sanctions aimed at Cuba. It can be done.

Most of Cuba's industrial plant, you will recall, was of U.S. origin. Initially, Castro cannibalized spare parts to repair equipment disabled by old age or poor maintenance. When he could no longer resort to cannibalizing, he had to turn to bloc countries to make parts to specifications, a costly and time-consuming process. However, Canada and the United Kingdom operate on the inch-foot basis and produce many things we do in the United States. Castro has been able to get badly needed parts from them for such crucial equipment as rolling stock, tractors, and sugar mills.

The 21 members of the Organization of American States should institute a boycott of all private firms engaged in the Cuban trade. It would not be difficult

to maintain a blacklist of all firms selling to Cuba, much as the Maritime Administration keeps a running list of vessels arriving in Cuba, to which I referred earlier.

I was appalled to learn that one of the countries suffering Cuban depredations was preparing to consummate a large purchase from a European company that has engaged in substantial trade with Cuba. They were simply unaware of the company's history. In this case mere knowledge of the firm's Cuban involvement would have sufficed to quash the transaction. The publication of a blacklist would have altered the prospective purchasers.

Awareness by European and other free world enterprises that their products will be excluded throughout OAS countries if they persist in trading with Cuba should give those firms pause before they engage in further business with Cuba. Companies like Leyland Motors Ltd. of England that has sold hundreds of buses to Cuba, Richard Continental of France is selling Cuba heavy rolling equipment, the French firm of Brissoneau et Lotz that is selling Castro locomotives, Simon Carves Ltd. of England that is heading a consortium to build a fertilizer plant in Cuba, and the Spanish shipbuilding concerns, would undoubtedly ponder well the loss of potential business in the United States and the Latin American countries before electing to deal with Castro.

An OAS boycott of firms engaged in the Cuban trade should help to close the present gap in the OAS economic denial policy. Such a concrete step would advance the intended goals of that policy by first, weakening the Cuban regime further and, hopefully, making more costly Castro's blatant support of subversion; and second, confronting the Soviets and Eastern Europeans, who have the problem of supplying Castro's deficits, with an even heavier burden. Castro's current debt to the Soviet bloc is roughly \$1 billion. The Eastern Europeans have already complained of the load. If Castro is compelled to rely solely upon his political comrades as a market

for Cuba's products and for supplying required foodstuffs and industrial equipment, the Communists are likely to become increasingly disenchanted with Castro's adventures.

There are, of course, other measures the OAS can take such as developing closer cooperation and more stringent controls to prevent clandestine travel or movement of funds. These steps are of a defensive nature.

It is, however, my belief that the Organization of American States should undertake offensive measures, like the boycott I have proposed. In the last analysis, the capacity of the OAS to guarantee the security of its members and to compel the rule of law in the Western Hemisphere is on trial.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. SELDEN. I am happy to yield to the gentleman from Florida.

Mr. FASCELL. I wish to congratulate the distinguished gentleman from Alabama for once again raising his voice with respect to a very important problem that concerns the Western Hemisphere as this 12th meeting of consultation is about to take place. With so many things happening all over the world and so many other matters of great importance confronting us, it might be tempting to overlook a problem which persists, notwithstanding the fact that Castro's Communist's objectives have met with considerable difficulty.

As the gentleman has pointed out, this is a matter requiring continuing pressure. I wish to join with the gentleman in the suggestion and recommendation of collective action, an offensive by the Organization of American States, in the boycott of private firms that do business with Castro's Cuba. I think this would be a very effective action in the Western Hemisphere and would in a very simple and yet effective way indicate that the Organization still has strength and meaning, and that there are things which can be done and ought to be done.

I want to ask the gentleman a question. What he advocates is collective action by the Organization of American States, short of the use of armed force. There is considerable opinion however, that the United States ought to act unilaterally. I would like to hear the gentleman's comments on this.

Mr. SELDEN. Let me say to the gentleman I feel that this action should be taken on a multilateral basis if and when that can be done. I think there could be occasions when the United States would have to act unilaterally. As the gentleman remembers, the House passed a very forceful resolution which I introduced on that subject just 2 years ago. But certainly multilateral action is desirable.

Mr. FASCELL. I would agree with the gentleman, and as one who joined in the sponsorship of that resolution, I would want to emphasize again the desirability of the continuation of unilateral action when deemed necessary. However if the efforts which Castro is making fall with-

in the purview of the decision made by the Organization of American States, and they do, and if his actions fall within the purview of the resolution adopted by this Congress, then it seems to me that the gentleman has made his case on the record, that in the case of Castro, multilateral action by all the countries of this hemisphere is preferable.

I agree with the gentleman that the evidence is there that Castro's actions are in contravention of both of these principles. What do we do next? What is the next step?

What the gentleman has suggested is a first offensive action, to which I wholeheartedly subscribe and in which I join. I hope that the OAS consultation meeting would adopt and recommend it.

I agree that it would be disheartening to have this OAS consultation take place, in the light of all the facts that exist of guerrilla warfare in Venezuela, Colombia, Guatemala, Bolivia, and throughout Latin America, and have it recommend something which would strike Castro as lightly as a feather. OAS action has to be meaningful. We have to let people know we have not forgotten about the problem of Castro's Cuba.

If the gentleman will yield further, I would like to comment.

Mr. SELDEN. I am happy to yield further to the gentleman from Florida.

Mr. FASCELL. Mr. Speaker, we need a plan of multilateral action to deal with Castro's communism for several reasons. We need to emphasize and to keep emphasizing that Castro's Cuba is not solely the responsibility of the United States. What will happen when Castro dies and we still have a Communist government in Cuba? We cannot put that on a unilateral basis, although some would put Castro's deception of the Cuban people and the Western Hemisphere on a unilateral basis.

I think we have to keep the perspective of the necessity of multilateral action in dealing with Communist problems emanating out of Cuba.

What is Castro doing? He is trying to change his face. He is saying, "I am arguing with the Russians, because the Russians want to play a nonviolent game, but I think violence is essential." But what is Castro doing? He is taking a million dollars a day in hard cash and doing business with the Russians.

What does he say with respect to the Chinese? "I do not want any part of the Chinese. Not at all. They have the wrong attitude." But what does he do? He is employing the very revolutionary violence which the Red Chinese advocate.

Castro is trying to make himself appear to be fighting with the Russians and disagreeing with the Chinese; but he is trying to carry out wars of "national liberation" with help from both of them; and he is trying to put himself in the role as a national liberator—which he feels might have acceptance in Latin America. This might succeed except for one thing, and that is Latin America's recognition of Castro's deceit and deception of his people and the people in the Western Hemisphere.

If Castro had unfurled the Red flag

prior to the time of the revolution, there is a considerable question as to whether the revolution would have succeeded. Let us remember this also, and I think we need to hammer it home as often as we can.

To the Cuban people Castro promised restitution of the 1940 Constitution and free elections within 2 years. He has never kept those promises.

Yes, there might be a tendency to say the OAS is toothless; and there might be a tendency to say that focusing of world opinion on this problem is ineffectual. But I think this attitude would be a mistake.

One of the problems in Vietnam is that for 10 years the Communist had open propaganda through radio and other means that was hardly ever combatted, by the United States or the free world.

The Communists have the same relatively open door in Thailand and in other places in the Far East.

With respect to Cuba we find that Radio Free Cuba has had to suspend operations because they do not have sufficient money. The Communists now have another open propaganda door. The OAS, the United States, and the free world have to meet the problem of the propaganda through radio and by other means in order to be able to mold, to change, to influence, and otherwise to persuade public opinion, whether in Cuba or other places.

I believe one of the affirmative things we ought to do on a Western Hemisphere multilateral basis is to make sure that either Radio Free Cuba or something similar gets the message all over Latin America constantly and continually, every minute of every day, that Castro is a fraud; he rode into power on concepts which he never intended to keep; namely, restoration of the 1940 Constitution to the people of Cuba, a democratic form of government, and free elections in 2 years. He has not kept that promise.

Therefore, when he tries to strut all over Latin America, changing his face, arguing with the Russians and arguing with the Red Chinese, he is really not changing face at all. He is still a brutal dictator, desirous of changing and influencing all the forms of government to his way of thinking in Latin America without really giving the great mass of people an opportunity to express themselves. This is the important message we and the OAS must bring to all of Latin America.

So as we go into this 12th meeting of consultation once again I compliment the gentleman from Alabama for raising his voice on a very timely and very important subject, to make sure we all focus our attention and that we keep striving to do something about the problem of Castro communism in South America and the problem.

Mr. SELDEN. I thank my colleague from Florida, who is an able and distinguished member of the Subcommittee on Inter-American Affairs. I certainly agree with him that the truth is perhaps the very best propaganda the United States can send to Latin America. Certainly this should be kept up and increased so long

as we have to combat communism in that area.

Mr. FASCELL. If the gentleman will yield further I shall shortly be through.

The Castro Communist acts of subversion, which can be equated with overt military action as detrimental to the existing democratic government within the Organization of American States should be recognized for what they are—an overt threat to peace and security. At some place, some time, the OAS will have to reach a hard decision that an act of subversion is just as dangerous as any overt military act; and the Organization of American States on a multilateral basis is going to have to deal with it immediately, effectively and firmly.

Mr. SELDEN. I thank the gentleman.

Mr. ROGERS of Florida. Mr. Speaker, first, I would like to commend my colleague the gentleman from Alabama [Mr. SELDEN] for his most informative and detailed speech. And I commend him and his committee on the fine work they have done in attending to even the most minute detail of business and politics in our hemisphere in regard to inter-American affairs.

Secondly, I agree with my colleague that there has developed a deep sense of apathy concerning Cuba. We see this apathy despite the fact that Cuba continues to represent a threat to the peace and well being of our hemisphere and particularly the United States because of our geographical location.

I hold hopes that when the foreign ministers of the Organization of American States meet later this week they will present a program of action which will contain Castro's efforts to export subversion among the countries of this hemisphere.

Venezuela's action in calling for an investigation of Cuban subversion was the beginning, I hope, of an awakening among the nations of the OAS to the goal of Communist Cuba—and that goal is armed and violent revolution among the peoples of our hemisphere.

I urge that our Ambassador to the OAS exert leadership in helping to formulate a program which will end this Communist guerrilla movement. It would also be wise for our leaders to consider the recommendation which we have heard here today. The gentleman from Alabama has struck upon what I feel is an effective method of limiting those individual companies from continuing to deal with Cuba.

I urge that the House Subcommittee on Inter-American Affairs contact our delegation to the OAS and express the gentleman from Alabama's idea of formulating a black list for those companies of the free world who deal with Cuba, then make every effort to see about getting the formal approval of the administration to effect such a policy.

Again, I thank the gentleman from Alabama for his excellent speech—for it comes at a time when the American public should be aware of the evolving events of the hemisphere and the beginning of a meeting of the foreign ministers of the OAS here in Washington.

Mr. SELDEN. I thank my colleague from Florida, who always has shown a



deep interest and concern in the continuing Communist menace which emanates from Cuba and whose remarks are always most timely and helpful.

Now, Mr. Speaker, I yield to my colleague from Alabama [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Speaker, I want to join in commending my distinguished colleague and neighbor for once again demonstrating the value of his leadership in inter-American affairs.

It seems to me there is little question that Fidel Castro, as the gentleman from Florida well said, is not only a fraud who came into power promising democratic government but who all the while sought to impose his brutal totalitarian Communist regime on the people of Cuba and who deceived and betrayed them into the original acceptance of his government. He could not stand a free election at this point. It is also true that there is considerable evidence that Mr. Castro must think of himself as the Mao or the Lenin of Latin America. In the sickness of his mind and the greatness of his arrogance and ego he conceives himself as becoming the leader of the Communist empire in this hemisphere. He has made a dedicated effort toward that end. This deserves the serious attention of the highest level of our Government and of the other governments in this hemisphere. There ought to be offensive action along the lines that the gentleman recommended and in which I fully support him; that is, to work together multilaterally toward meeting this threat and overcoming the great problems and dangers to our hemisphere embodied in Castro's regime.

The gentleman's suggestion for a boycott against particular firms doing business with Cuba is an excellent suggestion. I hope it will be considered and that it will be enacted and become a part of an offensive effort on the part of the nations of this hemisphere to protect it against a dangerous enemy, one who, if he could, would subvert every government in North and South America.

Again I commend the gentleman for his outstanding leadership and for his stand this day.

Mr. SELDEN. I thank my colleague and neighbor from Alabama, who is also a very valuable member, along with Mr. FASCELL, of the House Committee on Foreign Affairs.

I assure him he is quite right in his assumption that Fidel Castro does conceive of himself as the Communist leader of this hemisphere and that he is determined to export his form of communism throughout Central and South America.

Mr. PATTEN. Mr. Speaker, will the gentleman yield for a question?

Mr. SELDEN. I yield to the gentleman.

Mr. PATTEN. There is a little island in the Windward group. I think they call it Anguilla. It is very small and is not going to be recognized by the United Nations. It has about 8,000 or 10,000 people. I am not familiar with the exact number. My question to you is, there are many islands in the Leeward and Windward group. It looks like the Eng-

lish want out there. If the Americans are going to put their castles in these areas, because they are apparently very desirable for privacy and recreational purposes as well as for other investment purposes as well as for national security reasons, what can we do about it? Do we have a policy? Do we have some planning? Is there some direction in which we can go? Or is there somewhere where in I can find out what we have done on this problem?

Certainly, if these people have been running around begging for a little food or a little help and finding all doors closed, that does not seem right to me.

Mr. SELDEN. As the gentleman from New Jersey knows, the British are in the process of granting independence to some of the islands in the Caribbean area, several of which have formed a federation, and at least one which is already a member of the Organization of American States. Our policy has been to recognize these countries as they are granted independence by the British.

Mr. PATTEN. Is that all there is to it? Do we have a security problem under which if American money goes there, we are going to follow through on this?

It seems to me that we ought to know where we are going, and if today is the time to go, we ought to get in there when they come knocking and begging and asking for help when they apparently are seeking an opportunity to help themselves.

Mr. SELDEN. Obviously, there are numerous countries in the Caribbean with which we have trade and mutual security arrangements.

Mr. Speaker, I yield back the balance of my time.

#### A REALISTIC VIEW OF FOREIGN AID

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. OTTINGER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the gentleman from New Jersey?

There was no objection.

Mr. OTTINGER. Mr. Speaker, as is so often the case, the recent House debate on the foreign aid bill shed at least as much heat as light. At times it became obvious that there was great confusion over what foreign aid is designed to accomplish, what its realistic goals and limitations are.

Our distinguished Ambassador to India, Chester Bowles, presented a very cogent discussion of this topic in the New York Times of Saturday, September 16. The thrust of Ambassador Bowles' essay is a lesson which became clear to those of us who had the opportunity to participate in both the foreign aid program and the Peace Corps: That we cannot buy the loyalty and gratitude of other nations with our aid dollars, but that we can help the developing nations of the world establish a firm foundation for independence and growth.

I commend Ambassador Bowles' essay to the attention of my colleagues and present it herewith for inclusion in the RECORD:

#### TOPICS: WHAT FOREIGN AID CAN AND CANNOT DO

(By Chester Bowles)

NEW DELHI.—Why does the United States, in view of its many domestic burdens, provide loans, grants and technical assistance to promote economic development in Asia, Africa and Latin America? What can the United States reasonably expect in return for such assistance?

If our primary objective is to assure unquestioning support for our foreign policy objectives or servile gratitude toward a beneficent Uncle Sam, we should have abandoned the foreign-aid program long ago. We can no more purchase the loyalty or gratitude of sovereign nations than we can buy the loyalty and gratitude of individuals.

#### TO HELP THEMSELVES

What American aid can do and in many parts of the world is doing is to enable those developing nations which are prepared to help themselves build their own solid foundations for independence and national growth. Although we may be angered on occasion by criticism of American policies by the very nations we are striving to help, we should not allow our irritations to obscure this central objective.

In this framework the more relevant questions, it seems to me, are the following: Is the recipient nation using American aid efficiently? Is it making an honest effort to tax its people fairly? To encourage widespread land ownership? To grow more food? To expand its exports? To root out corruption? To reduce its rate of population increase? To stimulate individual initiative?

Such criteria, in my view, are essential to the development of a realistic and mutually advantageous relationship between the aid-giving and the aid-receiving nations.

Against this background let us look at the record of our foreign-aid program in India, the population of which totals more than half of all the non-Communist developing nations combined.

Casual visitors to India are struck with the awesome poverty and squalor. Millions of Indians are still inadequately fed, while millions more cannot read or write. There are large slum areas in most Indian cities. Consequently, it is not surprising that many observers have come to look at this Asian nation as a bottomless pit.

However, on the positive side of the Indian balance sheet are some impressive economic accomplishments which have recently been obscured by the impact of two serious droughts in succession. Since the early 1950's these accomplishments include:

#### ACHIEVEMENT IN INDIA

India's steel production has been increased sevenfold.

India's electrical power capacity is now five times what it was in 1953 and it will double again in the next five years.

India's fertilizer industry is now growing steadily.

India's tax system is being revamped to provide greater incentives for foreign investment and for individual initiative.

Malaria has been reduced from 100 million cases annually to less than 50,000 in 1966.

Four times as many youngsters are now going to school.

More than thirty million acres have been added to the fifty million under irrigation in 1953.

This year nearly sixteen million acres of farmland are being planted with new high yielding wheat and rice paddy seeds.

A vigorous nationwide program has been launched in an attempt to reduce India's annual population growth from the present 2.4 per cent to 1 per cent by 1971.

These basic achievements, made possible by American and other foreign assistance and by a generally able Indian administra-

tion, have created a solid base for further development; indeed, many American and Indian economists are persuaded that with normal rains and continuing foreign aid India may become self-sufficient in food grain by 1972 and able to do without foreign governmental assistance by 1977.

#### TO PREVENT VIETNAM

Although our minds and our national budgets are primarily focused on Vietnam, it is important that we strengthen our efforts to help prevent new and even more costly Vietnams from developing elsewhere. Well planned and sensitively administered American aid coupled with an effective effort by the recipient nations themselves can help harassed new governments create nations that their own people feel are worth defending.

To assist this evolutionary movement toward political independence, and self-sustaining economic growth is the only valid purpose of American assistance to the developing nations—and it should be reason enough.

#### HOW FARM BUREAU COOPERATIVES FLEECE THE FARMER

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. RESNICK] may extend his remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. RESNICK. Mr. Speaker, today I would like to concentrate on an aspect of Farm Bureau business activity revealed by my current inquiry which must certainly rank as one of the most gigantic and successful shell games ever practiced on an unsuspecting public.

I am convinced that the particular activity is a fraud. If it is not illegal, it is certainly immoral and requires an immediate change in our tax laws. I am referring here to the manner in which farm cooperatives evade the payment of taxes by transferring the tax burden from themselves to their patrons. They do this by falsely appearing to distribute their profits to their patrons, when in fact they do not do so.

My first look into the executive suite of the Farm Bureau's big-business empire showed me the outlines of a multi-billion-dollar insurance combine. My next look showed me a mutual fund company. And later looks showed me a bewildering variety of other highly successful businesses that seemed to continue without end.

But despite all this preconditioning, I was totally unprepared for what I found when I began, rather innocently, to look into the operation and financial structure of the Farm Bureau cooperatives—both the supply cooperatives and marketing cooperatives.

I say "innocently" because my image of a co-op, dating back to my younger days on my father's farm in New York where I grew up, was a group of farmers getting together to combine purchasing and other functions and thereby save themselves money. They would have more bargaining power with the privately owned businesses they had been dealing with, make their own business decisions,

and pocket the savings, if there were any. That, at least, was the theory. The reality, however, as practiced today has given me a rude awakening.

Because of conditions at the time the cooperative movement got underway, the Government attempted to assist them by providing cooperatives with tax advantages over private businesses. In the intervening years, too many of us did not bother to look back over our shoulders to see the results of this policy. I have just taken the trouble to look, and I think it is high time other Americans did the same thing. Things have changed down on the farm.

The farmers are still there. The co-ops are still there. But, the farmers do not control the co-ops. It is the other way around. And it is not the co-ops who are in danger of being eaten alive by much larger and wealthier private companies. It is the other way around.

In substantial areas of the United States, the co-ops have taken over the farm supply business and the commodity marketing business. They are continuing to grow at a fantastic rate. They pay practically no taxes. They are buying up and absorbing the private companies they were established to compete with on the theory that healthy competition would benefit the independent farmer. The co-ops are now gigantic businesses often controlling their own sources of supply; such as, oil refineries, potash mines, and feed mills. To a frightening degree, their management is effectively insulated from the farmer-patron, who has no real voice in decisionmaking.

But, worst of all, the farmer-patron—the man for whose benefit this whole enterprise was established in the first place—is the victim of a gigantic con game which deprives him of his rightful share of the profits.

To understand how the farmer is being exploited by the fraudulent practices of the co-ops, with the passive assistance of the U.S. Government, it would help to focus on one single co-op, the Ashland County Farm Bureau Cooperative Association, Inc., Ashland County, Ohio. The testimony of Mrs. Norma Williams, a farmer of Nova, Ohio, at my ad hoc hearings in Washington, is valuable in explaining not only what is happening, but how and why. It provides a fresh insight into what Farm Bureau "service" really means.

When co-ops have operated at a profit during a fiscal year, they show a "savings." These "savings" are taxed, unless they are distributed to the patrons of the co-op. And so, in order to avoid taxation, co-ops distribute the profit—"savings"—to their patrons. However, they do not make this distribution in cash. Mrs. Williams, like the other patrons, receives a patronage refund of 20 percent in cash and 80 percent in the form of a certificate. In other words, if she is entitled to \$100 as her share of refunds, she receives \$20 in cash and \$80 in a sort of I O U, with no maturity date indicating when the balance would be paid. However, she must pay income taxes on the whole \$100—now, not later.

As a matter of fact, up until 2 years

ago the Ashland County Farm Bureau Co-op for almost 30 years, had been giving her the entire amount in certificates. But the Government finally decided that since taxes had to be paid on it, it would be nice to insist that the patron receive enough in cash to at least let him pay taxes without digging into his own funds.

The question now is: What about the certificates? What do they represent? What does the patron do with them? What are they worth?

Mrs. Williams provided the answer in her testimony. They are worth nothing. Mrs. Williams cannot cash them anywhere. The co-op that issued them will not redeem them, and will not take them in payment for old bills or current purchases.

Mrs. Williams has had these certificates in her family for up to 30 years. They amount to a substantial sum of money. As she points out, they are not even redeemed when the owner dies. They are simply reissued to his heirs.

Since the press reports on Mrs. Williams' testimony have been circulated, I have received several letters and phone calls from Ohio farmers corroborating Mrs. Williams' story. One Sandusky, Ohio, farmer reported that Huron County Farm Bureau Cooperative would not accept \$2,000 worth of their own patronage stock dividends for a debt of \$400 owed to their co-op.

One might be tempted to assume that, if the patrons do not receive cash dividends from the co-ops, the co-op's existence might be justified because it saves the farmer money: selling him supplies at a lower price than private supply houses, and buying his commodities at a higher price than private operators. Unfortunately, this is not true. A comparison of prices between the Ashland County Farm Bureau Co-op and the local independent feed mill, on August 26, 1967, included later, bears this out.

Why do the co-ops distribute worthless dividend certificates? Obviously, because it permits them to eat their cake and have it, too—and grow like the very devil at the expense of the Government and the taxpaying businesses they compete with. Federal tax law allows the co-ops to distribute these worthless pieces of paper instead of money, and to deduct their face value from co-op earnings before figuring taxes. In other words, it is a sophisticated tax dodge.

After declaring this distribution, the co-op still has possession of virtually all the money it started with—tax free—to reinvest and expand. And expansion in recent years has been taking place on such a massive scale that the farmer today is very often a virtual prisoner of the co-ops.

What does the Farm Bureau do with its "kept money"? They are using this vast source of tax-free capital to drive independent millers, supply houses, oil dealers, warehouses, and grain elevators out of business. They are expanding into contract farming—a system which destroys the farmer as an independent businessman and, in effect, makes him the captive employee of the contractor—the Farm Bureau Co-op—or the feed companies. The establishment by the



Farm Bureau of vertical integration contracts for the production of broilers, eggs, turkeys, hogs, and grain, and the involvement of the feed companies, is mentioned by Mrs. Williams in her statement.

Under unanimous consent, I am including material documenting the above charges. I particularly wish to bring to the public's attention the statement of Mr. H. L. Clever, general manager of the Ashland County Farm Bureau Co-op Association, Inc., published during the first week of September 1967, in the Ashland Times-Gazette. In this statement, Mr. Clever, attempting to defend the policies of the Farm Bureau Co-op, flatly admits that the last time the so-called stocks were redeemed was in 1946, and that no other "stock" issued since that time has been called in for redemption. Even the use of the word "stock" must be explained, since this is nonvoting "B" stock and does not give voice to the individual farmer in the decisions of the co-op.

It must be emphasized that the disgraceful situation described here, unquestionably fraudulent in intent, although it may technically be within the letter of the law, is practiced widely throughout the United States.

I have concentrated here on Ashland County in order to clearly explain and document the situation. It should also be explained that this practice is common to practically all cooperatives, not just those owned by the Farm Bureau. However, since the Farm Bureau is by far the largest and most dominant entity in the cooperative picture today, and since it is the only such organization supposedly representing farmers, special attention must be paid to its role.

Mr. Speaker, more information on this subject will be forthcoming.

The above-mentioned material follows:

STATEMENT OF MRS. NORMA WILLIAMS, INDIVIDUAL FARMOWNER FROM ASHLAND COUNTY, OHIO, AUGUST 30, 1967

Mrs. WILLIAMS. I am owner and operator of a small, 77-acre farm in Ashland County in north Central Ohio. For quite a few years I paid membership dues into Ashland County Farm Bureau Federation, bought products from Ashland County Farm Bureau Co-op, and belonged to the local Farm Bureau neighborhood Advisory Council.

I believed Farm Bureau was a good farm organization, that it lobbied for laws to help farmers.

I never thought much about how it was organized. I was even proud of how many patronage dividend shares my husband, and then I had earned.

Then lower and lower prices for the poultry and eggs I was producing made me become interested in the vertical integration taking place in the poultry industry.

I began to take publications of other farm organizations I got into discussions with other poultrymen, with college professors and all sorts of people, and I began to be critical of Farm Bureau's position and actions in the poultry industry.

Since Farm Bureau has started setting up vertical integration contracts for broiler, egg, turkey, hog, and grain production, tied to and managed by its co-ops in the North, and at the same time is setting itself up as a bargaining agent for farmer-producers of poultry in the south who are under contracts to feed companies such as Pillsbury and Ralston-Purina, I am not actually afraid of

Farm Bureau and what it may be to independent family farmers.

Mr. RESNICK. In other words, you are saying they assisted this vertical integration which has driven the small family farmer out of the poultry business?

Mrs. WILLIAMS. That is one of their main projects now, to set up vertical integration with the co-op, Landmark in Ohio, as the feed company that furnishes the feed and chickens.

Mr. RESNICK. In other words, what they are doing is trying to get the family farmer from being an individual entrepreneur and owner to become an employee of these large. . .

Mrs. WILLIAMS. Of his own co-op.

They are saying that that is the coming form of agriculture.

There are three main reasons, I think Farm Bureau is not the proper farm organization to take over marketing and bargaining for all farmers, as Farm Bureau Federation is presently attempting.

1. Members have no individual vote on policies or for officers—

2. American Farm Bureau is a federation of independent state organizations, and it is almost impossible for the American Farm Bureau Federation to crack down on the states and make them toe a certain line—that is a statement by Charles Shuman—

3. Farm Bureau Co-ops buy and sell farmers' products for a profit which they are very reluctant to hand over to the farmers.

They use the slogan "farmer owned, farmer managed" but it is about the same ownership as taxpayers have over schools and roads bought with tax money taken from them.

Here in Ohio, Farm Bureau Co-op—that is Landmark—is presently buying up independent local elevators, feed mills, poultry processing plants and taking in poultry producers co-ops to the point of destroying any choice of outlet for the independent farmers' sale of poultry, livestock and grain.

The membership is given no chance to vote approval or disapproval of these actions of their co-ops. Ohio Farm Bureau co-ops are using, along with other sources of capital, so-called patronage profits or dividends, never given out to the farmer members, to build up this huge corporation complex.

Mr. RESNICK. In other words, you don't get the money back.

That stays in the tax-free shelter and continues to buy up other growth.

Mrs. WILLIAMS. Yes.

With income of its farmer members at depression yearly levels, Ohio Landmark Co-op, Inc., claimed the largest profits in its history in 1966—a profit of \$2,542,000.

Of this, \$1,172,000 was listed as patronage refunds to the local co-ops.

This does not mean that this reaches the farmer members.

That was patronage refund given to the local co-ops for their state co-ops.

Until two or three years ago, when a government law was passed that stated that the co-ops pay at least 20 percent in cash to get out of paying income tax on their patronage refunds, Landmark Co-op gave out to farmer members just statements of shares or certificates of ownership—no cash.

And this was profit or patronage refund at the local county level only.

Practically every farmer in Ashland County holds worthless Farm Bureau co-op stock or shares, representing his so-called savings refunds from trading with his local Landmark Co-op.

These stocks or shares Landmark Co-op will not exchange for cash even to settle the estate of a dead co-op member.

They will do nothing except change the ownership to an heir who can then continue to pay personal property taxes on this worthless stock.

Mr. RESNICK. Instead of giving you cash for your patronage refund that you are due,

they give you these stock certificates. But these are never-never certificates, you can never cash them in, and you can never get money for them?

Mrs. WILLIAMS. No.

Mr. RESNICK. What do they represent then?

Mrs. WILLIAMS. I think it is a type of fraud.

Mr. RESNICK. I would say it is an outright fraud.

In other words, the basis of a co-op is to provide savings individually for its members so you are saying the savings are given in stock which is not redeemable?

Mrs. WILLIAMS. It is just a piece of paper but you pay personal property tax on that.

If you don't declare that, the co-op has given a list of their shareholders to the county courthouse and they put it on your tax thing whether you state it or not.

Mr. RESNICK. In other words, it is counted as income to you but you have no way to get cash from it?

Mrs. WILLIAMS. No.

Mr. RESNICK. I would like to run my business that way.

Mrs. WILLIAMS. I would, too.

Mr. RESNICK. Please continue.

Mrs. WILLIAMS. I hold eight Landmark Co-op shares, patronage refunds earned but never paid, all earned 20-30 years ago. I know people, retired farmers and persons who have never farmed, who hold Landmark patronage refund shares, representing thousands of dollars which have never been paid and never will be paid.

It is in part with capital, built up into huge interest-free sums, by this unethical retention of money which should have been returned to farmer members, that Ohio Landmark Co-op is now building a vertical integration set-up in poultry, hogs and grain here in Ohio.

Here locally Landmark advertises over the radio for farmers to sign contracts for broilers, eggs and turkeys, calling itself farmer-owned, farmer-managed, stating that this is the way for independent through contracts with their own organization.

In Ohio, Farm Bureau Federation Board members are also board members in Landmark Co-op, nationwide insurance and American Marketing Association, assuring one management of all.

The six voting delegates to the American Farm Bureau Federation convention, representing approximately 53,000 Ohio members, are the president and vice president of the Ohio Farm Bureau Federation, the president and the vice president of the Ohio Landmark Co-op, and two state board members.

This close intermingling of top management in the Farm Bureau organizations places farm bureau co-ops in vertical integration contracting of poultry production in the north and acting as the bargaining agent in American marketing Association for farmer-producers with other feed companies and poultry companies in the south.

Farm Bureau present talk of "bargaining power for farmers through Farm Bureau" is simply double-talk for securing more power for a huge corporation complex now sucking out its profits at the farmers' expense as surely as any of the competing big feed companies that buy farmers' grain and control poultry production.

On accompanying sheets I present as evidence backing my statements, written evidence and signed in my presence by various farmers, or notarized and clippings from several publications.

I also wish to state that over 100 farmers—all, to the best of my knowledge, shareholders in Farm Bureau Co-ops—upon learning of my opportunity to testify at Mr. Resnick's hearings in Washington took up a collection among themselves to help with my expenses.

They back my statements with their contribution and with statements of their own.

Mr. RESNICK. I want to thank you very

much, Mrs. Williams, and I wish you would express my thanks to your neighbors who felt this strongly about it to help send you here.

I know it was an expense and I want to thank you for coming.

I find myself a little puzzled at this point.

In other words, they are buying grains from other farmers. They are turning around and selling it to the poultry producers and then they are buying the poultry producers' products and re-selling it, all through the co-op movement?

Mrs. WILLIAMS. They are having them sign these contracts to use the chicks that they furnish, and the grain from Landmark, and then use these co-ops that they have taken into their organization that used to be independent egg or poultry co-ops as the marketing agent.

It is just one big vertical integration setup.

Mr. RESNICK. How do their prices and conditions compare with Pillsbury?

As an independent farmer, do you have any advantage?

Mrs. WILLIAMS. I don't have anything special on that but I have a list of several prices paid, and several prices that are charged to the farmers.

These prices were taken on August 26 in comparison with a local, small, independent mill.

Mr. RESNICK. I would like to see that.

Mrs. WILLIAMS. Of these prices, more often the local independent mill had prices of advantage to the farmer.

Mr. RESNICK. In other words, you were better off dealing with the smaller independent than dealing with your so-called co-op.

You said in your statement you can't elect officers. One of the things the Farm Bureau is very proud of is that it is supposed to be a democratic organization and everybody is elected.

You don't vote for your local officers. They are appointed?

Mrs. WILLIAMS. The most local organiza-

tion is the county organization. I can't tell you how they started in the very beginning but now the ones that are being nominated are chosen by a nominating committee which is chosen by the officers already in the office and then you vote at an annual meeting on a printed sheet already made out between the one or two that they have chosen, just marking your "X" and you vote the business that was conducted last year by that co-op, nothing ahead.

That is the only voting you have in the whole organization. From then on state, national, it is all chosen by these officers.

Mr. RESNICK. I think self-perpetuating is the word you are looking for.

What is the make-up of the Ohio Farm Bureau?

Do you have many farmers in it?

Mrs. WILLIAMS. Yes, but a good percentage are older people who have retired or who are practically out of farming but who are holding their membership because they had group insurance and they would lose it if they didn't retain their membership.

I have neighbors who have never been members.

Mr. RESNICK. What about Dayton?

Mrs. WILLIAMS. I would imagine there are some there. Two years ago they sent out a council guide to their advisory councils discussing a project they started of having hired workers to go out and contact these people that live in the little ranch houses along the roads, that are not farmers, to have them join the Farm Bureau.

Mr. RESNICK. Even though they are not farmers?

Mrs. WILLIAMS. They are not farmers at all but they had professional organizers going out to these people.

Mr. RESNICK. With the full knowledge that these people were not farmers?

Mrs. WILLIAMS. They got their members to approve of it by saying they have the same problems in their schools and roads and local things that farmers have.

[From the Ashland (Ohio) Times-Gazette] FARM BUREAU CO-OP HEAD ADMITS: NO STOCK REDEMPTIONS SINCE 1946—CLEVER EXPLAINS FB STOCK POLICY

The claims by Mrs. Norma Williams of Nova that Ashland County Farm Bureau shares given out to members in recent years are "worthless" are not true, according to H. L. Clever, general manager of the Ashland County Farm Bureau Co-op Association, Inc., 813 Clark St.

Clever presented information this morning to The Times-Gazette which shows that statements from area residents presented to a congressional hearing in Washington Wednesday are not entirely explained.

According to Mrs. Williams' testimony, Clayton Keener, RD 3, Ashland, has 20 stocks from the association which are worth \$10 each, "many of them more than 20 years old."

She said that the stocks had been re-issued to Keener after his father died.

According to Clever, Keener's seven of the 20 shares were transferred from H. C. Keener to Keener after 1951. He said the stocks have not been called in for payment yet by the board of the Farm Bureau.

The other stocks that Keener has, dating from Dec. 31, 1946, when he was granted a voting share, to Dec. 31, 1951, also have not been recalled for payment by the bureau.

Clever said the stocks are paid in a block and that stock blocks dating to 1946 have been called in and no others issued since then have been redeemed.

The bureau policy is not to pay stocks on an individual basis, but to call for them in blocks and pay all of them, either in new stock or cash, at the owner's wish. Clever explained to reporters today.

Clever explained that a claim by Robert E. Troxel, Savannah, was similar, in that the stocks had been issued since 1946 and had not been called in for redemption by the board of directors.

Clever said that it is not the policy of the bureau to accept stocks issued after 1946, or not in a recalled block, on an individual basis.

All 70 of the stocks issued to Troxel according to bureau records were issued after May 4, 1946, Clever said.

Troxel told the Times-Gazette that Mrs. Williams interviewed him last week in connection with the statement given to the congressman Wednesday.

Keener said that she was at his place last week also.

Keener added that he was not against the idea of having the stocks issued, but didn't like to wait so long before being able to cash them.

A claim by Don D. Snyder could not be checked out thoroughly because there seems to be a discrepancy in an initial in sources of information provided to reporters.

Clever said that every year, the board decides how much stock to recall for redemption.

According to Clever, bureau members are granted stocks or cash each year on a percentage basis of what they purchased through the co-operative.

This is about 3.1 or 3.2 per cent of the total purchases, Clever said.

LETTER FROM MRS. NORMA WILLIAMS, SEPTEMBER 6, 1967

Representative JOSEPH Y. RESNICK, House Office Building, Washington, D.C.

DEAR MR. RESNICK: Enclosed are the statements in the local newspaper of the manager of the Ashland Farm Bureau Co-op regarding my testimony before you Aug. 30, 1967.

Mr. Clever's statements about Clayton Keener's more than 20 profit dividend shares inherited from his father seem confused—since Mr. Keener's father died after 1960 and

# COMPARISON OF PRICES BETWEEN ASHLAND FARM BUREAU CO-OP AND LOCAL INDEPENDENT FEED MILL, AUG. 26, 1967

	Local mill	Farm Bureau landmark
Paid to farmers for—		
Wheat.....	\$1.31 per bushel.....	\$1.31 per bushel.
Corn.....	\$1.09 per bushel.....	\$1.18 per bushel.
Oats.....	\$0.76 per bushel.....	\$0.74 per bushel.
Old soybeans.....	\$2.76 per bushel.....	\$2.79 per bushel.
Charged farmers for—		
Fertilizer:		
5-20-20.....	\$72.50, 30-day credit.....	\$74.65, 30-day credit.
6-24-12.....	\$73.80, 30-day credit.....	\$76.25, 30-day credit.
12-12-12.....	\$69.05, 30-day credit.....	\$71.15, 30-day credit.
Calf starter (25 lb.).....	\$3.90 and \$5.....	\$4.10, \$4.45, and \$5.70.
Egg mash, 16 percent.....	\$4.70 per 100 lb. in sack.....	\$5.25 per 100 lb.
Gasoline.....	30.6 cents (Sinclair).....	30.6 cents.

STATEMENT BY MR. ROBERT E. TROXEL, SAVANNAH, OHIO

AUGUST 30, 1967.

To Whom It May Concern:

I, Robert E. Troxel, have operated five dairy farms for thirty years. Two years ago, knowing I had a health problem, I threw these farms into a corporation (Troxel Farms, Inc.). As far as the Farm Bureau knows, Robert E. Troxel no longer is in operation as I have been in Tucson, Arizona, for my health. But the operation goes by the Troxel Farms, Inc., with my children as partners. Four children and Jim Troxel, my oldest son, manager.

My son turned in 68 shares at \$10.00 per share (as patronage dividends) to pay a bill as partial payment on a bill of \$852.00 giving them a check for the balance. They are threatening us with a law suit claiming no payment on the 68 shares of stock or \$680.00.

This stock and this bill is concern in Ashland County Farm Bureau. We also hold stock in Richland County Farm Bureau. I have been paying personal tax on this stock every year.

STATEMENT BY MR. DON D. SNYDER, NEW LONDON, OHIO

AUGUST 30, 1967.

To Whom It May Concern:

This is to certify that I received two shares of Farm Bureau stock from my father's estate, Floyd O. Snyder. These shares were from Ashland County Farm Bureau and at the time of my father's death transferred to me as said Farm Bureau would not honor them for cash.

STATEMENT BY MR. CLAYTON H. KEENER, ASHLAND COUNTY, OHIO

AUGUST 30, 1967.

When my father died he had approximately 200 patronage dividends which were to be divided among the heirs. Instead of paying these shares in cash, the Ashland County Farm Bureau reissued the shares to the heirs. These shares are \$10.00 each. Many of these shares are more than 20 years since issued. Course we have to pay personal tax on these and what do we expect to receive if even on estate they can't be settled?



the estate, containing these more than 200 Farm Bureau profit dividend shares divided among 10 heirs, was settled following his death. Mr. Keener held many shares in his own right, not inherited.

As you will note in the underlined part of the clipping, Mr. Clever, manager of the Ashland F.B. Co-op concerning which I testified, made a statement, "stock blocks dating to 1946 have been called in and no others issued since then have been redeemed." 1946 is 21 years ago.

But the Ashland F.B. Co-op follows the policy of changing the date on the shares to the date of the change of ownership when they pass on shares to heirs of dead co-op members or from husband to wife, etc. so that conceals the actual date when the patronage refund share was earned, and issued. Thus many patronage refund shares, including most of mine, actually date before 1946 and have not been redeemed.

Yours truly,

NORMA WILLIAMS.

[From the Cleveland Plain Dealer, Sept. 15, 1967]

#### FARMERS' STOCK JUST A JOKE

(By Richard C. Bixler)

ASHLAND.—A hearty laugh was the reaction of a bank official here yesterday when asked if he would make a small loan, using Ashland County Farm Bureau common stock as collateral. He said the stock has no known value.

Personal property tax, assessed by the Ashland county auditor for many years on outstanding shares of the stock, has been dropped this year because the stock is considered worthless, County Auditor E. L. Ryland told The Plain Dealer.

The stock is given to farmers as dividends by the Farm Bureau at the end of each business year in lieu of cash payments for profits earned by the co-operative.

The stock certificates give par value as \$10 a share. The number of shares in a stockholder's name is typed on each certificate, reflecting the amount of business done between the co-op and the stockholder that year.

Virgil L. Cox, vice president in charge of loans for the Farmers Bank of Ashland, has been with the bank 25 years and "in all that time we have never accepted Farm Bureau stock as collateral for a loan," he said.

"I can remember one case where an individual brought in a portfolio of stock that included one Farm Bureau share. We kept it as part of the portfolio but discounted it as having any value as part of his security," Cox said.

A suggestion that anyone would expect him to loan money on the stock was met with an immediate burst of laughter from Cox, followed by a comment "you must be kidding."

County Auditor Ryland said his office has been assessing personal property tax on the shares at two mills, based on the Farm Bureau's statement that each is worth \$10 a share. Tax would amount to two cents a share.

Ryland said this is not much money, but over a period of years it could add up.

"We questioned the Ohio Department of Taxation last year about assessing taxes on this stock, explaining to them that the Farm Bureau refuses to redeem it and no one wants to buy it, indicating there is no apparent market value. They told us to quit charging tax on it beginning with 1967," Ryland said.

Robert R. Henderson, prominent lawyer here, said he has handled many estates in which Farm Bureau stock was among assets to be divided among the heirs.

"The Farm Bureau has refused to buy it back, so we listed it as having no value in the estate," Henderson said.

Clayton Keener, a farmer who lives six miles north of here in Orange Township, owns 40 shares of the stock, 20 earned by

him and 20 inherited after his father's death in 1962.

Keener said he had been a staunch supporter of the Farm Bureau until it refused to redeem the stock from his father's estate.

"Since then I've been dealing with an independent feed mill and grain elevator in Ashland. I've found I can buy cheaper and sell at better prices than I can get from the Farm Bureau," Keener said.

Keener said this way at least he has his savings in cash, instead of apparently worthless paper certificates.

"If the Farm Bureau bought this mill and put it out of business, I'm not sure where I'd go," Keener said. "Maybe to Mansfield, but that's pretty far away."

Mrs. Nora Williams of Nova, in Troy Township on the county's north edge, helped instigate an investigation of the Farm Bureau by U.S. Rep. Joseph Y. Resnick, D-N.Y.

Mrs. Williams, a widow, raises veal calves and choice lambs on her 77-acre farm and uses most of her produce to feed them. But she did have 10 acres of wheat to sell last year.

"I consider myself one of the lucky ones," she said. "The Farm Bureau has been buying up small mills and putting them out of business, forcing some farmers to haul their grain to Farm Bureau mills and elevators farther away. If they want to deal with an independent mill, they must go still farther," she said.

"I'm lucky because the Nova Elevator Co., a small independent mill, is just a mile away. I deal there. But if that one were closed, I'd have to go to small mills in Greenwich or New London, both 16 miles away. I would have to hire a truck because that is too far to haul with a tractor and wagon. Cost of the truck would cut profits," she said.

The small mills in Greenwich and New London, she said, are types the Farm Bureau has been buying and closing. Were that to happen, the next closest independent mill would be in Mansfield, nearly 40 miles away, she said.

William H. Fagert, president of Nova Elevator Co., where she deals, said the Farm Bureau has never offered to buy his mill and he would not be interested in dealing with them if they did.

"I believe free enterprise still can, and will, survive," Fagert said. "But it could survive more easily if given equal tax breaks."

Fagert said the Farm Bureau received government subsidies when it was founded that no private owners were ever given, and that it enjoys many tax deductions and benefits not afforded to private mills.

The Farm Bureau is looked upon by the government as a nonprofit co-operative designed to help farmers sell at higher and buy at lower prices, and is therefore exempt from taxes.

But farmers here, whose profits have been held by the co-op and used to form a huge combine of commercial businesses, are charging that the Farm Bureau is doing them more harm than good.

[From the Cleveland Plain Dealer, Sept. 16, 1967]

#### MILLS FEEL SQUEEZE OF OHIO COOPERATIVE

(By Richard C. Bixler)

MILLERSBURG.—Two independent grain elevator and feed mill operators here say they are feeling the squeeze of what some farmers are calling monopolistic practices of the Ohio Farm Bureau Cooperative Association.

The Farm Bureau is an organization that offers purchasing and marketing services to farmers. It currently is under fire for some of its practices by U.S. Rep. Joseph Y. Resnick, D-N.Y.

Floyd Crilow and Roman Weaver, partners who operate the Holmesville Elevator in Holmesville, with a branch elevator here, sold and stored wheat at the Dover Milling Co. plant in Wooster until the Farm Bureau

bought that plant and refused to do business with them, they said yesterday.

Holmesville is five miles north of this Holmes County community. The partners have operated the elevator there 10 years. Their elevator here is the former Millersburg Equity Plant which went bankrupt, was bought by a lumber company and then leased to Crilow and Weaver.

"We often bought more wheat than we had room to store in our elevator and trucked the excess to the Dover Milling Co. at Wooster to store for our customers," Crilow said. "We've also sold wheat to Dover Milling from time to time."

"After the Farm Bureau bought Dover Milling last July, they refused to buy or store any of our wheat. They said they would buy only from individual farmers and wouldn't handle wheat from an independent mill, only from a co-op."

"Now we have to truck wheat fifty miles to Mansfield instead of 15 miles to Wooster."

Crilow said there was no money in handling wheat at today's prices but "if we made any money on it at all before, it's gone now with the extra cost of hauling it so far."

"The only reason we bother with it at all is as a service to our farm customers who also trade with us for other things."

Crilow said the Farm Bureau has never approached him about buying his business and that he was not sure he would be interested if they did. There are not many Farm Bureau members in Holmes County, he added.

Crilow continued:

"About half my customers are Amish and they don't belong to farm organizations. Of the other half, a few belong to Farm Bureau, a few to other farm organizations and some are strictly independent."

He said that with most of his customers having no connections with or interest in the Farm Bureau, it is not likely to pressure him out of business.

Another independent mill owner-operator, this one in southeastern Wayne County, told The Plain Dealer he had experienced the same problem. He asked not to be named "because I have to live with these people."

The Wayne County man said he, also, had sold wheat to Dover Milling at Wooster before the change of ownership.

One day, he said, he sent a truckload of wheat to Wooster and his driver was told it would not be accepted for the same reasons given the Holmesville Elevator owners.

As a result, the Wayne County man says he now trucks his wheat "considerably farther."

"But it may have been for the best. I am getting a better price, more accurate weight accounting and better grading."

He did not disclose the name or location of his new buyer.

[From the Cleveland Plain Dealer, Sept. 18, 1967]

#### FORMER OHIO FARM BUREAU BOOSTER BECOMES BLASTER

(By Richard C. Bixler)

LODONVILLE, OHIO.—Marvin E. Young, a dairy farmer near here, was once a booster for the Farm Bureau. But he recently dropped out. He suggested that his friends do the same and asked: "Is the Farm Bureau helping or hurting us?"

Young, like most farmers, agrees the Farm Bureau has successfully lobbied for much legislation that has helped the farmer. But he says other policies of the cooperative organization are questionable.

The Ohio Farm Bureau Cooperative Association performs purchasing and marketing services for farmers. Some of its practices have been criticized recently by U.S. Rep. Joseph Y. Resnick, D-N.Y.

Young lives about 5 miles north of here where Ashland, Wayne and Holmes counties meet. His farm is in Ashland County.

"When I was first introduced to the Farm

Bureau, I was enthusiastic," he said. "My dad had belonged for years and I accepted it without question.

"I was asked by a Farm Bureau counselor if I would help establish an advisory council in this end of the county.

"I got several other couples about the same age as my wife and I to join and we held council sessions with a Farm Bureau counselor coming to speak to us about modern farming methods at each meeting," Young added.

He was told, he said, to double the size of his herd.

"But," Young continued, "you don't just go out and buy several head of cattle without consideration of cost and how you will handle the extra work and other problems.

"The next thing was, a neighbor asked me why I bought Farm Bureau gasoline. I said I guessed it was because I'd always been told it was cheaper. But the neighbor showed me I could buy from several commercial oil dealers for 2½ cents a gallon less.

"I called one," Young said, "He came out and put in an underground tank and electric pump at no cost to me. The underground tank saved me quite a bit by eliminating evaporation that I had in the Farm Bureau above-ground tank. I have receipts that show I saved \$38 on the first tank."

Young said one of the goals of the Farm Bureau is to get better prices for the farmer when he sells his grain.

"If they've had any successes at all, why did wheat sell for \$1.30 a bushel this year when 20 years ago it was \$2.26?" he asked.

Young said he was told the Farm Bureau's acquisition of Gold Star Mills in Wooster, one of several businesses recently purchased in Wooster by the Farm Bureau also was to help the farmer.

"I used to sell ear corn (unshelled) to Gold Star Mills when it was independently owned," he said. "They always paid the highest price to anyone around, 10 cents a hundred weight (100 pounds) above the independent mills in Lakeville and Loudonville.

"After the Farm Bureau took over at Gold Star, they offered 10 cents less than the other mills," he added. "They wound up doing very little business, I understand, and now have announced that they will no longer buy ear corn at all.

"The result is, we've not only lost one market for our corn, but we've lost the one that used to help keep the prices up at the others—the thing I thought the Farm Bureau was supposed to do," he declared.

Another farmer near here who is a member of the Farm Bureau said there is another side to the story.

"I have no great love for the Farm Bureau," he said. "But you must remember that the Loudonville area and most of Holmes County is in what is called a grain deficit area. Most farmers here are dairy or livestock farmers. They use more grain than they raise.

"In that respect it's not all bad, because if the mills here buy corn for less, they also sell it for less, and most farmers here have to buy some to supplement the feed they raise. So for them it is a saving," he said.

#### GROWING TREND OF OHIO FARM BUREAU TOWARD CONTROL OF FARMER

ASHLAND, OHIO,

August 28, 1967.

DEAR SIR: In regards to the statement of the Farm Bureau representing the American Farmer are very untrue, all they have ever done is bleed every dollar they can get from him.

They have used the same brain washing tactics Hitler used through the young people, from the Extension Agents, Four H, FFA, Ag. Teachers, and Agriculture Colleges, to build their grant empire.

At present they are getting control of a large percent of our elevators. If private

elevators pay more for grain or sell other commodities cheaper, they buy them out. These F. B. Elevators go by different names, in some cases, they don't change the name, so as to make farmers believe they are not dealing with F. B.

In our own locality, the few remaining towns that are not controlled by F. B. Elevators pay from 6 to 8 cents more for grain. We have a gasoline distributor who sells farmer's gasoline 2½ cents cheaper than F. B. He has been criticized by F. B. from local to state level, has not been scared out yet. So you can see how they help the farmers.

For a number of years they were good to him. They gave him shares of *worthless Stock* which he paid personal tax on. He could not trade a \$10 share on a cup of coffee. Now they have a better gimmick. Say the farmer has a \$50 proration. He will receive a check for \$11. Then he will pay income tax on the \$50, which could let him have a couple of bucks to spend at the F. B.

In the last three months they have purchased the Gold Star, a large feed co., The Wooster Elevator with 600 thousand bu. storage, and Wooster Egg Auction—all of Wooster, Ohio.

So it is about time the F. B. begins paying tax.

Yours,

CLIFF SHOPBELL.

#### FARM BUREAU CO-OP PRESSURE ON PRIVATE BUSINESS

LANTZ MILLS, INC.,

Mansfield, Ohio, September 18, 1967.

HON. JOSEPH Y. RESNICK,  
Representative from New York,  
Capitol Building, Washington, D.C.

DEAR SIR: Just a few words to express my appreciation for the job support on the probe of the Ohio Farm Bureau. This has been a problem for many years and many of us in the small feed and grain business have felt that this was definitely one segment of probe existing in the Agricultural picture. We are charged taxes for which the Farm Bureau has been exempted and it has been hard for us to follow through. I feel that you are on the right track.

Sincerely yours,

H. ROBERT LANTZ,  
President.

Statement by John A. Meek concerning his attempt to store soybeans with Ashland County Farm Bureau Co-op and then later withdraw the beans without a warehouse receipt. Ohio Farm Bureau is lobbying against a warehouse receipt bill now before the Ohio Legislature. All other farm organizations favor it.

SULLIVAN, OHIO,

August 28, 1967.

DEAR SIR: In the fall of 1965 just prior to the soybean harvest, I went to the Farm Bureau elevator at Sullivan, Ohio, and asked the manager if I could store beans there and get them back later to sell through the National Farmer Organization (NFO).

He said, you can store them here and get beans back for beans, not the same beans, but quantity and quality for quantity and quality.

I stored my beans there expecting to get them back. In early February I went to get them released to sell with the NFO. I was told that I could not get them. I asked if he remembered our agreement in the fall. He said, "yes, but the boss won't let me return them to you."

My weight slips were all marked "stored" but they refused to return or release them to me. I had to sell them to Ashland County Farm Bureau when I could have sold them through the N.F.O. and gotten more money.

I believe that Farm Bureau should have been exposed years ago for what they are.

JOHN A. MEEK.

#### NOTARIZED STATEMENT OF MARVIN E. YOUNG CONCERNING REFUSAL OF A SUBSIDIARY OF LANDMARK CO-OP TO ACCEPT WHEAT FROM AN INDEPENDENT ELEVATOR

LAKEWELL, OHIO,

August 28, 1967.

MR. RESNICK: On June 1st, "The Farm Bureau" took over a recently purchased grain warehouse formally known as "The Dover Milling Company" in Wooster, Ohio.

A few days later I took several loads of wheat to this elevator. One of the times I was behind a load of wheat from a small independent elevator. An employee of "Landmark" (Farm Bureau) refused the wheat, giving the reason that it was from an independent elevator, rather than a co-op elevator. The truck driver then asked to see the manager, but again the wheat was refused. The manager said he received his orders from Columbus and didn't have anything to do with it.

The driver asked if they would continue to deal with other co-ops after they forced all independents out of business. The manager just smiled and walked away.

MARVIN E. YOUNG.

#### THE REPUBLICAN COORDINATING COMMITTEE TRIES VAINLY TO COMPENSATE FOR AN EMPTY GOP VOTING RECORD

MR. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. RESNICK] may extend his remarks at this point in the Record and to include extraneous matter.

THE SPEAKER. Is there objection to the gentleman from New Jersey?

There was no objection.

MR. RESNICK. Mr. Speaker, the Republicans are desperately trying to create a smokescreen to hide their obstructionist tactics on domestic legislation from the American voters.

This smokescreen is better known as the Republican Coordinating Committee which, from time to time, issues self-righteous pronouncements about what needs to be done to improve American life.

Recently, the coordinating committee glanced at rural America and announced a 5-point program to aid rural slums.

And no sooner were these recommendations made public than the Republicans in the House overwhelmingly voted to cut back President Johnson's Appalachia aid program by one-third.

Now, the Republican Coordinating Committee has recommended more schools and health facilities for rural areas. But their colleagues in the House voted a severe cutback in the Appalachia bill that would help to operate hospitals built with Federal aid.

It is clear that the Republicans are trying to fool the American people. They do not want to be branded for what they are: Stubborn obstructionists against every proposal for domestic progress.

Obviously, they believe that positive policy pronouncements can somehow disguise their overwhelmingly negative voting record on every major program offered by the administration.

They are mistaken. The American people will support those who have transferred their convictions into votes for progress. This record belongs to the Democratic Party.

It seems that our Republican colleagues will have a lot of explaining to do in 1968.



## OUR GOVERNMENT DOES CARE

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. CORMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CORMAN. Mr. Speaker, Mr. Douglas S. Wright, of Sylmar, Calif., a constituent of mine, recently wrote to me concerning his son, Charles, who enlisted in the Marine Corps 2 years ago and is now on his second tour of duty in Vietnam. As a parent, Mr. Wright has been concerned about the dangers his son is facing in armed combat and has had serious doubts from time to time about the whys and wherefores of the Vietnam struggle.

Because of his doubts, Mr. Wright previously had written to the President asking him to help his son fight a war to win. The reply he received from Washington reaffirmed his basic belief that his son is fighting to win and that his Government is making every effort to guide him toward this end.

It is not difficult to understand a parent's impatience that we either get in and get it over with, or get out and get it over with, as many have suggested. Our military effort in Vietnam began with the idea of fighting a limited conflict to obtain one basic limited objective—that of preventing a Communist takeover of South Vietnam. The abandonment of this policy is dangerous to a world where the preservation of freedom of all people must be of concern to all men.

Thinking that perhaps other parents might be reassured by his experience, Mr. Wright composed a statement which he entitled, "Our Government Does Care," and sent it to me.

Mr. Wright's thoughts are those of a man who has a deep understanding of the meaning of freedom and of why his son and other sons must fight to preserve this freedom in Vietnam, as other young men fought to preserve it on the battlefields of Chateau-Thierry, on the shores of Normandy, in the Philippines, and on the islands of the Pacific.

I would like to share Mr. Wright's statement with my colleagues. Its text follows:

## OUR GOVERNMENT DOES CARE

Recently I sent a personal request to President Johnson on behalf of my Marine son, Charles, to "help him fight a war to win."

During the period of two years my son has served in the Marine Corps and two tours of duty in the Vietnam war zone, my pride and confidence in our country's effort to assist the South Vietnamese people against communist aggressors, have maintained a high level. However, lately my concern began to change. How valuable are our sacrifices? Is such great effort worth it? Does the South Vietnam government actually want us there? Can there be a victory of reasonable application?

All of these questions must create the concern of other parents with servicemen in this war zone. And what position do the survivors of over 12,000 who have given their lives in this war take? Have they joined the "hate" groups, the "against" groups who are

making so much news by marching and crying out with non-support of our Government leaders' policies?

A casualty, killed or wounded, represents many people. These are people—not statistics, no matter how you look at it. I am one of the fortunate people who has not lost his offspring in combat. But, when and if this would occur, what position would I take? This, then, was my motive in requesting some answer direct from the one man whose decision sent my son to fight in a war of questionable value.

From the answer I received, I am satisfied our Government does care, and I have renewed confidence that our position and that of my son's has meaning and that our sacrifices will bear recognition.

I am further concerned for others in this same situation; can they be re-assured by my experience or would they think it a matter of propaganda. Let those believing the latter be so informed that I now would be prepared to stand alongside my son and give my life, if necessary, in this struggle to help other people be free.

In addition, and with equal importance, is the fact that I have a second son, Chris, just graduated from basic training in the Marine Corps at San Diego. He shall soon also become a combat Marine and risk his life for the same purposes of freedom. And for him, too, it is my confident belief that all our efforts are worth following leaders who care and recognize our sacrifices.

DOUGLAS S. WRIGHT.

## DEDICATION OF COURTS BUILDING—LAFAYETTE SQUARE

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. BOLAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. BOLAND. Mr. Speaker, the new courts building—to house the U.S. Court of Claims and the U.S. Court of Customs and Patent Appeals—was dedicated on Lafayette Square this morning. It is an excellent new building which gives these courts a permanent home for the first time. And it marks completion of the major phase of the "new look" for Lafayette Square, the "Park of the Presidents" directly across from the White House.

When I say "new look" I mean a return to the original concept of this famous square which, from the very beginning, was meant to provide a place of greenery and calm in a busy city; which was meant to focus attention on the most important building on this strategic piece of real estate in our Nation's Capital: the White House.

During the twenties and thirties of this century, commercial buildings intruded upon this front yard of the White House, destroying the small-scale residential character of the square which had served for so long as a center of Washington life. In the late fifties it was proposed to erect monumental Government buildings on the east and west side of the square but, fortunately, this plan was discarded.

The credit for saving the square belongs to the late President John Fitzgerald Kennedy and his wife, Jacqueline. It was at the insistence of President and Mrs. Kennedy that demolition of the

famous homes rimming the square was prevented and that a different architectural concept was adopted: to keep the graceful old houses, to remove the gawky commercial buildings, to restore the 19th century facades.

The high-rise buildings to the rear of the residential-type structures were designed to provide the space needed by Federal activities, to serve as a background for the square and not to dominate it. The plan has been successful and its measure of success will be progressively demonstrated as restoration of the residential facades is completed and the new landscaping added. Sharing in the credit for the new Lafayette Square are Architect John Carl Warnecke and the General Services Administration, specifically GSA's Administrator, Lawson B. Knott, Jr. It is a job well done.

Mr. Speaker, I was privileged to attend the dedicatory exercises this morning with other Members of the Congress, Mr. CELLER and Mr. ROONEY of New York, Mr. ASHMORE of South Carolina, Senator JORDAN of North Carolina, Mr. HALL of Missouri.

I insert the entire program to be printed at this point in the RECORD:

DEDICATION OF COURTS BUILDING: U.S. COURT OF CLAIMS AND U.S. COURT OF CUSTOMS AND PATENT APPEALS, WASHINGTON, D.C., SEPTEMBER 20, 1967, 10:30 A.M.

## THE COURTS

The United States Court of Claims was established by Act of Congress on February 25, 1855. It is a constitutional court, and its jurisdiction, which is nationwide, embraces a wide variety of claims against the United States for money damages. Prominent among such claims are those for tax refunds, breach of contract, military and civilian pay claims, and claims for the taking of private property for public use without just compensation, as required by the Fifth Amendment to the Constitution. The court has exclusive jurisdiction of patent and copyright infringement suits against the Federal government and appellate jurisdiction over the Indian Claims Commission. The court is composed of the Chief Judge and six Associate Judges who sit in Washington, D.C. There are 15 Commissioners who serve as the trial judges of the court and who preside at the trial of cases both in Washington, D.C., and throughout the country wherever it is most convenient for the parties. Their decisions are reviewed by the seven judges whose final decisions are reviewable only by the Supreme Court of the United States.

The United States Court of Customs and Patent Appeals is a constitutional court consisting of a Chief Judge and four Associate Judges who sit *en banc* in Washington, D.C. It was established by Act of Congress on March 2, 1929, but as the successor to the prior United States Court of Customs Appeals, the origins of its customs appeal jurisdiction are found in the Act of Congress of August 5, 1909. The court's jurisdiction is not limited by territory, but is limited to specialized subject matter which includes (1) appeals from the United States Customs Court, (2) appeals from decisions of the United States Patent Office under the conditions specified in 35 USC 141, and (3) review, on questions of law, of findings made by the Secretary of Commerce pursuant to the Educational, Scientific and Cultural Importation Act of 1966. The court's decisions are final, subject to review by the Supreme Court of the United States.

The court building being dedicated today is the first permanent home for both courts and contains the offices for both as well as their courtrooms and library.

## PROGRAM

Prelude: United States Marine Band, Drum Major Daniel Oesser, Conducting.

Procession: Judges, Commissioners, and honored guests.

Parade of Colors: United States Armed Forces Joint Color detail.

Presiding: Honorable Wilson Cowen, Chief Judge, U.S. Court of Claims.

Invocation: His Eminence Patrick Cardinal O'Boyle, Archbishop of Washington.

Presentation of the Building: Honorable Lawson B. Knott, Jr., Administrator of General Services.

Acceptance for the Courts: Honorable Eugene Worley, Chief Judge, U.S. Court of Customs and Patent Appeals; Honorable Wilson Cowen, Chief Judge, U.S. Court of Claims.

Remarks: Honorable Earl Warren, Chief Justice of the United States.

Address: Honorable Marvin Jones, Senior Judge, U.S. Court of Claims.

Benediction: Reverend Edward G. Latch, D.D., Chaplain, United States House of Representatives.

Postlude: The United States Marine Band.

## THE NEW LAFAYETTE SQUARE

During the planning of new Federal buildings for the Lafayette Square area, a decision was made to return to the small scale residential character of the Square which in the 19th century had been a center of Washington's social and diplomatic life. Historically, the Square had reflected such a residential concept with the White House as the natural center of interest until the 1920s when the small scale residential quality—envisioned by early planners—was lost by the construction of multi-story commercial structures around the Square.

Following the decision to preserve Lafayette Square at a scale which would frame the White House as a center of interest, the residential character of the facades of Jackson and Madison Place was re-established and new Federal buildings were placed in the background to serve as quiet back-drops for the residential-type structures and as transitions from the large commercial buildings of the surrounding downtown area. The New Executive Office Building on the west side of the square and the Court of Claims and Court of Customs and Patent Appeals on the east side were designed with these objectives in mind. Dark colored Victorian red brick was selected with the guidance of aesthetics and history. The dark color gives the large structures the appearance of receding; light colored material would tend to emphasize them.

The nine-story building housing the Courts contains courtrooms for each Court, chambers for judges and commissioners and required ancillary facilities.

John Carl Warnecke of San Francisco was the architect for the Lafayette Square projects and the Blake Construction Company of Washington the general contractor for the Courts Building and the New Executive Office Building.

## JOB CORPS—DISASTER CADRE

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. OLSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. OLSEN. Mr. Speaker, the people of my congressional district, the people of all Montana and the people of the entire Northwest owe a debt of gratitude to the Job Corps and to the individual Job Corpsmen for the splendid work

accomplished during our recent disastrous forest fires.

Without a moment's hesitation, these fine young Americans gave their time, skills, and efforts when vast areas were threatened with total destruction. Not only did the Job Corpsmen represent available manpower when they were needed, they represented trained manpower. In the Big Sky country where we face the threat of vast forest fires each year the knowledge that a reserve of trained firefighters is available is indeed comforting.

Job Corpsmen from training centers in all our Western States were used extensively in the successful effort to prevent destruction of our natural resources when the emergency broadened. Thousands of Job Corpsmen worked hour after hour and day after day in fire control work. Without a murmur of protest they worked weekends and holidays as well as normal workday hours.

Job Corpsmen have proven themselves able and willing workers when disaster threatens. They have made many positive contributions to this Nation, not only in firefighting, but in flood control, flood cleanup, and in tornado relief. Energetic and trained Job Corpsmen have many times been a ready disaster cadre in this Nation. The Office of Economic Opportunity has demonstrated through the Job Corps that the disadvantaged youth of this Nation are able and willing to make outstanding contributions to society.

I am including the following article, one of many that have recently appeared in my district concerning Job Corps firefighting efforts, as a part of my remarks in the CONGRESSIONAL RECORD:

[From the Montana Standard-Post, Butte, Mont., September 12, 1967]

## CORPSMEN BATTLE ELBOW LAKE FOREST FIRE

Anaconda Job Corps Conservation camp on Foster Creek has a crew of 46 corpsmen and 10 staff members on the recent forest fire at Elbow Lake on the Rock Creek drainage west of Deer Lodge, corps officials reported.

The crew of firefighters from the Foster Creek camp hiked seven and one-half miles up steep and rugged mountain trails to the fire site.

Fireboss Paul Hoskins commended the corpsmen for their willingness and ability to perform well under extremely hazardous and tiring conditions. Although most of the corpsmen had never climbed a mountain or seen a forest fire, they were eager to pitch in and do whatever was needed, he said.

Six seven-men squads battled the fire along the steepest and most rugged sectors of the fire while another 10-man crew set up a complete kitchen and prepared meals for over 200 weary firefighters.

During the early hours of the fire while the blaze was still raging out of control, corpsmen rushed in close to the flames to retrieve tools and supplies that had been parachuted.

Many of the corpsmen were so impressed with the excitement and importance of firefighting they are eager to return to fire duty as soon as possible.

Staff members from the Job Corps camp provided overhead functions on the fire scene as squad, crew and division bosses, safety officer, camp and cook bosses.

To provide a ready manpower reserve for other fire emergencies on the Deer Lodge and adjacent national forests, the Anaconda Conservation camp has trained fire crews ready to go as a result of a training session

conducted by the forest service and weekly training conducted by the work department at the camp, David A. Fillus, deputy director at the camp, reported.

## U.S. CHEMICAL INDUSTRY UNITED IN OPPOSITION TO PROPOSED ABOLISHMENT OF AMERICAN SELLING PRICE

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. RODINO. Mr. Speaker, very soon the President's special trade representative is expected to offer legislation implementing the so-called ASP Second Package negotiated last spring in Geneva under the Kennedy round. Recently the Manufacturing Chemists Association joined the Synthetic Organic Chemical Manufacturers' Association in opposing congressional ratification of the proposed Second Package. An excellent analysis of the issues involved appears in this month's Chemical and Engineering News. I also commend to my colleagues a recent Newark Star Ledger editorial that explains why ASP is so essential to New Jersey's rate of employment. The articles follow:

## MCA PUTS A UNITED CHEMICAL INDUSTRY BEHIND ASP

When the Manufacturing Chemists Association announced late last month that it found the Kennedy round tariff agreement in chemicals to be less than reciprocal and that it thought American Selling Price (ASP) should be retained, the organization that speaks for most of the chemical industry made a new ball game out of the upcoming fight in Congress to eliminate that controversial system of tariff valuation.

The Administration, of course, will try to convince Congress that ASP should be abolished. One of the strongest arguments in the Administration's arsenal has been the oft-repeated contention that the chemical industry itself has been divided in its own attitude toward ASP.

Trade officials had hoped to convince Congress that only a small segment of the industry, the benzenoid producers spearheaded by the Synthetic Organic Chemical Manufacturers Association (SOCMA), was really concerned about retaining ASP. Why mess up a bargain that is so good for so many, they ask, for the sake of a few, especially when we are providing to compensate the few for injuries they may receive?

The MCA statement has torn this argument from its moorings. It puts the entire chemical industry solidly behind what had been dubbed that pesky, protectionist stand by a few.

What makes the MCA pronouncement all the more significant is the fact that, on international trade matters at least, MCA has been less than forceful in its position statements. In fact, with very few exceptions, it has been noticeably silent ever since the early days of the Tariff Commission and Trade Information Committee hearings. The brief which MCA submitted last year, for instance, half-heartedly endorsed the idea of a uniform international antidumping code, but it was liberally punctuated with qualifications and caution.

Not so last month's thumbs down memorandum regarding the Kennedy round agreement, and especially the ASP package. There



were no qualifications whatsoever in the statement of Gen. Decker, MCA president, lashing out at "the one-sided Kennedy round agreement already in effect" and "the even more one-sided supplemental proposal to eliminate the American Selling Price."

With his lack of solidarity argument shattered, Ambassador William M. Roth, who led the U.S. negotiating team in Geneva and who will probably lead the Administration's Congressional campaign to repeal ASP, will lean heavily on two other points. One is that U.S. chemical exporters will benefit by the additional 30% cut in tariffs which it will receive for giving up ASP. The industry's attitude, which the MCA memorandum underscores, is that there is little or nothing to be gained from the additional 30% cuts, certainly not enough to justify ASP's loss. Mr. Roth's other argument is, simply, that ASP is blatantly unfair and inequitable as a method of assessing import duties.

It is a valid argument. ASP is not the most righteous piece of tariff legislation ever written. It has several faults. But neither is it the only unfair nontariff barrier in the world today. Moreover, although it may be a gallant gesture to abolish ASP unilaterally in the hope that other countries may be prompted to follow the good example, it makes more sense to condition ASP repeal upon something more substantial than hope—something like finding a truly reciprocal basis for doing away with the world's unfair nontariff barriers.

ASP champions argue, too, that their tariff protection will drop by more than the 50% limit set for the Kennedy round if ASP is abolished and the final rates are adjusted to the proposed 30% ceiling. So the fight, when it comes, will boil down to this: Should ASP be eliminated because it is unfair to foreign producers or will eliminating it be unfair to U.S. producers?

This is what Congress must decide.

[From the Star-Ledger, Newark, N.J., Sept. 4, 1967]

#### THREAT TO LABOR

The harsh realities of partisan politics and the honest differences of opinion among individual lawmakers are such that it is a rarity, indeed, when all members of the New Jersey congressional delegation see eye to eye—and aye to aye—on any given issue.

It is highly significant, therefore, that they are unanimously united in their opposition to proposed legislation stemming from a controversial tariff-cutting agreement recently negotiated at Geneva.

While the Johnson Administration hails the compact as an important step toward international trade liberalization, the agreement has been under severe attack by spokesmen for the chemical, steel and textile industries.

The chemical industry, in which New Jersey has a leading stake, finds it difficult to understand how American negotiators can justify an agreement by which the United States reduces duties by 50 per cent in exchange for cuts of 20 per cent by Common Market countries.

To compound the giveaway, the U.S. negotiating team agreed to press for the elimination of the American Selling Price system of valuation, although it lacked authority to do so.

The system uses the American price, rather than the generally lower foreign price, for determining the value on which a tariff is placed on selected chemicals, particularly dyes and pigments. The arrangement has protected domestic manufacturers—and their thousands of employees—from unfair foreign competition since shortly after World War I.

The New Jersey delegation has wisely decided to oppose planned legislation repealing the American Selling Price. Its position is fully supported by strong resolutions adopted by the Essex County Board of Free-

holders and other governing bodies in the state.

Large numbers of minority group workers are employed by the New Jersey dyes and pigment industry. In Newark plants, 52 per cent of the dye workers are Negroes and Puerto Ricans. The lowering of tariff protection will cause layoffs and hardship. The victims of this government-engineered "disemployment" will be precisely those minority group workers who have the most difficulty in finding new jobs.

Costly retraining programs, unemployment checks and welfare assistance are not likely to bolster the morale of dye workers in New Jersey who currently earn an average of \$7,500 annually.

Free trade among the nations of the world is a concept that has attracted support in many quarters. In theory it is a wonderful idea, as appealing to contemplate as the achievement of a utopian government.

From a practical viewpoint, however, free trade is an unattainable goal. To enthrone over the new tariff agreement as a major step in this direction is to ignore the bitter truths of international trade.

The American negotiating team is busy telling the American public of the successes that were scored in Geneva. How then does it explain the dissatisfaction of key industries in the United States and the general glee and gloating over the terms of the agreement among foreign manufacturers?

Giving concessions of 50 per cent in return for 20 per cent is not much of an accomplishment at a time when the nation already is sorely troubled about its unfavorable balance of trade. It doesn't require any bargaining skill to give away \$50 for every \$20 received.

The situation is further aggravated by the fact that tariffs represent only one aspect of the barriers to liberalized international trade.

There are also non-tariff barriers that have been erected by many of the foreign nations with which American firms trade. The most common of these is the border tax—an additional levy imposed on goods entering a country. The non-tariff barriers were specifically excluded from consideration at Geneva, to the detriment of American interests. In some cases border taxes already have been raised to compensate for tariff reductions agreed to at Geneva.

On the basis of available evidence it is difficult to rejoice over the new tariff agreement.

Unfortunately it does not require congressional approval to become effective. The elimination of the American Selling Price system however, cannot be effected without enactment of legislation by Congress.

Under the circumstances, and in view of New Jersey's big stake, it is obvious that the congressional delegation is to be congratulated for its strong position in favor of retaining this important protective device.

#### THE UNITED STATES AND ITALY: TWO PRESIDENTS, ONE WORLD VIEW

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. RODINO. Mr. Speaker, President Johnson and President Saragat of Italy have issued a joint statement outlining the agreement between our two nations on such weighty issues as peace and independence in Southeast Asia, stability

in the Middle East, and the importance of the pending worldwide nuclear non-proliferation treaty.

It is not at all unusual for Americans to witness a complete harmony of views between a President of the United States and a President of Italy.

The bonds of friendship and understanding between Italy and the United States go back to our very beginnings.

Italy has been the source of immigration for millions of Americans.

Italy has been a partner in world trade. It has been an ally in international security through NATO. It has been a center of cultural and tourist exchange for American teachers and students and visitors. It has been a focus for the religious interest of millions of Americans of the Catholic faith.

Yet, with this meeting of Presidents, President Johnson has added yet another dimension to the warm friendship which exists between the United States and Italy.

President Johnson has reaffirmed our faith and cooperation with a free and independent country which is a major power in Western Europe.

He has again demonstrated to the world that the future, and the prosperity and the security of Europe is a priority item in America's view of foreign affairs.

And he has again reaffirmed his faith in the growth and flowering of democratic institutions in the old world, just as he has fought for the growth of democratic institutions in the nations of the emerging world of Southeast Asia and Latin America.

Let us recognize the heroic job President Johnson has done—not only with the Republic of Italy, but with the leaders of nations all over the world who have received a cordial reception at the White House in past months.

The list of distinguished visitors our President has welcomed has been nothing short of superhuman.

It is proof that we have a President who is working day and night to create a world in which large nations are responsible, small nations are protected, and all nations join together in common pursuits.

This is the record which Lyndon Johnson has written for his own Nation, and we ought to be proud of him and support him all the way as he seeks peace and friendship and understanding.

Under unanimous consent I insert in the RECORD the joint statement of President Johnson and President Saragat following discussions held in Washington, D.C., September 18, 1967:

JOINT STATEMENT OF PRESIDENT JOHNSON AND PRESIDENT SARAGAT, FOLLOWING DISCUSSIONS HELD IN WASHINGTON, D.C., SEPTEMBER 18, 1967

President Johnson and President Saragat had two conversations at the White House on September 18 and 19. Secretary of State Rusk and Foreign Minister Fanfani were present on both occasions.

The two Presidents had a broad and thorough exchange of views on the international situation. There was also a review of issues of bilateral concern, with a view to strengthening further the close relations between the two countries in accordance with the long-standing ties of friendship and alliance

which exist between Italy and the United States.

It was agreed that the common goal of both nations is the maintenance and the strengthening of peace. The two Presidents reaffirmed their confidence in the essential role played by the UN in achieving that objective.

There was complete agreement on the importance the North Atlantic Alliance, which from its inception has served both as an instrument of defense and as a vehicle for progress, continues to have for the security of its members and for world peace. By reinforcing international stability, it contributes to mutual understanding and confidence among peoples. It was also agreed that security and peace in the Atlantic area are based on a partnership between Western Europe and North America, founded on equality of rights and duties and on a balanced development which may be furthered through ever closer technological cooperation. The two nations share a common desire to create an atmosphere of cooperation and to bring about the relaxation of tensions among all the nations of the European continent.

The prospects for broadening the foundations of peace were examined. In this connection, it was agreed that a treaty to limit the dissemination of nuclear weapons, which takes into account the legitimate interests of all countries concerned would contribute to that end.

It was agreed that the two countries, deeply concerned by recent events in the Middle East, share a particular interest in the reestablishment of peace and stability in that area. With respect to Southeast Asia, confidence was expressed that an equitable settlement of the present conflict will be reached on the basis of freedom so as to strengthen the fabric of peace everywhere.

The two Presidents welcomed the recent agreements reached in London on international monetary liquidity and agreed on the importance of achieving agreement on this matter at the meeting of the International Monetary Fund at Rio de Janeiro later this month. They expressed satisfaction at the successful conclusion of the Kennedy Round trade negotiations, and underlined the great importance which they attach to assisting the developing nations in obtaining a higher standard of living and greater economic growth.

The two Presidents agreed on the great importance of these consultations among close allies, which contribute to the strengthening of understanding and cooperation between the two countries, and thus to the achievement of the common objectives of progress and peace for all mankind.

#### WESTINGHOUSE CORP.'S GROWTH IN FLORIDA

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. PEPPER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. PEPPER. Mr. Speaker, Florida's exciting economic growth is a matter of great pride to all of us who represent this great State and its rapidly growing population. One of the things of which we are most proud is the ability of our State to attract the most sophisticated kinds of industry and especially the advanced kinds of electronics facilities.

It is not generally known that Florida

is now one of the major electronics production areas in the Nation. But we are proud to have some of the great electronic firms of our Nation as major employers in our State. Recently this was exemplified by a typical Southern greeting:

We warmly welcome Westinghouse. We are happy this well-known company is joining our neighborhood.

These words, which first appeared on the editorial page of the August 3, 1967, issue of the Pensacola Journal, were reprinted in the September 1967 issue of the employee newspaper of the Westinghouse Electric Corp.'s atomic power divisions. The editorial heralded the coming to Florida of the atomic equipment division's newest manufacturing facility. The plant will make internal structural parts for nuclear reactors.

The plant, for which site preparation has already begun, is one of several projects and facilities which Westinghouse built or is building in the Sunshine State. On Friday, September 29, the company's aerospace division will break ground at Coral Springs for a new manufacturing plant that will make airborne and space electronic equipment.

Another plant, first announced on Tuesday, March 14, 1967, will be built near Tampa for the manufacture of steam generators and other heat transfer equipment for use in nuclear powerplants.

The plants mentioned above are but the most recent activities which serve to join the futures of the company and the State.

In other activities in Florida, Westinghouse—

Is building a new city at Coral Springs for some 60,000 residents. The company plans to use the community as a product proving ground;

Built at Key West a water desalting plant which is now providing residents of that community with fresh water from the Atlantic Ocean;

Received orders from the Florida Power & Light Co. to build two nuclear power-generating stations at Turkey Point, 25 miles south of Miami;

Will build four unique passenger transfer systems at the Tampa International Airport; and

Will supply the Gulf Power Co. a new 320,000-kilowatt turbine generator and related equipment for use in Pensacola.

#### PLANT HEADED BY FORMER SPACE PROJECT MANAGER

The manufacturing plant, for which ground will be broken on September 29, is expected to ultimately employ about 1,200 persons. The 150,000-square-foot facility is headed by Stanley N. Friedman, veteran Westinghouse employee and former manager of the company's Gemini rendezvous radar project.

Coral Springs, the community near which the new plant will be located, is being developed by Coral Ridge Properties, a Westinghouse subsidiary. Beachfront properties include a high-rise condominium apartment and modern hotels. Westinghouse will use Coral Springs to test and develop new products and systems and thus enable the company to

better serve the growing building construction market.

The new Westinghouse plant at Pensacola will cost upward of \$10 million to build and equip. It will fabricate nuclear reactor internal parts such as core barrels and other large components used to position and support nuclear fuel assemblies. The plant will employ some 300 persons. It will be located on an 80-acre site on U.S. Route 90 in Escambia County, on Escambia Bay, about 7 miles from the city of Pensacola. The company expects to occupy the office quarters in mid-1968 and to begin limited production in late 1968.

Peter M. Sarles, general manager of the company's atomic equipment division, said that virtually all employees of the plant will be hired and trained locally, beginning in 1968. Only a small staff of key people to start up the plant will be drawn from division headquarters in Cheswick, Pa. William H. Griffith, nuclear project manager at Cheswick will be manager of the new plant at Pensacola.

#### PLANT TO HAVE 500 EMPLOYEES NEAR TAMPA

The \$25 million facility to be built near Tampa will be located on Old Tampa Bay, just south of Gandy Bridge along West Shore Drive. Manufacturing operations are expected to begin in 1968. The plant will have about 200,000 square feet of manufacturing and office space. When the plant is in full production, it will have a payroll of approximately 500 employees. This work force will be skilled in the machining, fabrication, welding, assembly, and inspection of large components.

As in the case of the other plants, practically all of the employees will be hired and trained locally. Only a key management force to start up the operation will be drawn from the heat transfer division's headquarters in Philadelphia.

#### AIRPORT TRANSPORTATION SYSTEM

Also, at the Tampa International Airport, Westinghouse will install eight air-conditioned vehicles riding over elevated roadways or on rubber tires to transfer passengers about 1,000 feet from a central landside building to four airside locations. Two vehicles on parallel roadways will serve each of the airside locations which will be devoted to loading and off-loading of passengers, baggage, and cargo and the handling and servicing of aircraft.

Each driverless, electronically controlled vehicle will be capable of carrying up to 100 standing passengers to their destinations in about 40 seconds—or at least 840 people in a single direction in a 10-minute period. This is comparable to accommodating passengers discharged from the simultaneous arrival of four fully loaded intercontinental DC-8's.

#### KEY WEST PLANT A PIONEER

At Key West, where residents are members of a community which became the first city in the United States to get its fresh water supply from the ocean, the 2.62-million-gallon-a-day water desalting plant produces 1 gallon of fresh water for every 3 gallons of salt water drawn in.

The Westinghouse-built plant was dedicated July 20, 1967, by Vice President HUBERT H. HUMPHREY.



Speaking at the event Mr. HUMPHREY noted that the plant "is the largest single-unit desalting installation in the world today." He predicted that by 1980 we will have nuclear-powered plants capable of turning out billions of gallons of water daily.

Westinghouse President D. C. Burnham said at the dedication that the plant was a "benchmark" essential to all new technology and added that it is possible today to build single-unit flash evaporators to produce 50 million gallons a day.

#### NUCLEAR POWERPLANTS AT TURKEY POINT

The two nuclear powerplants which Westinghouse will build under contract to Florida Power & Light Co. 25 miles south of Miami are both rated at 760,000 kilowatts. The first plant is scheduled to be in operation early in 1970, and the second a year later.

Both plants will utilize the proven Westinghouse pressurized water reactor concept. In this system, the heat of splitting atoms heats water in a "primary loop" to very high temperature. This water is passed through a heat exchanger where it changes other water to steam that drives the turbine-generator.

Joseph C. Rengel, Westinghouse vice president and general manager of the company's atomic power divisions, said:

The decision of Florida Power & Light represents another vote of confidence in the reliability of the Westinghouse pressurized water reactor.

We are delighted to be participating in Florida's first nuclear generating plant.

#### CIVIL RIGHTS THROUGH LAW

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. PEPPER] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. PEPPER. Mr. Speaker, it was my privilege recently to introduce on behalf of the Lawyers' Committee for Civil Rights Under Law a new publication which I believe represents a major contribution to the administration of criminal justice in our lower courts.

This publication, "You and the Law," was prepared by the lawyers' committee in cooperation with the Police Department of the City of Miami Beach in my district. Playing important roles in developing this booklet were the Honorable Murray Goodman, judge of the Miami Beach Municipal Court, and Chief Rocky Pomerance, of the Miami Beach Police Department.

This publication is designed to inform persons arrested in connection with less serious offense of their rights under the law. It is printed in both English and Spanish to make it readily understandable to those who might be arrested in our bilingual community in south Florida.

I believe this publication will be of interest to my colleagues and I insert it in the RECORD at this point:

#### YOU AND THE LAW

##### INTRODUCTION

This booklet will help you understand what you must face after you are arrested and

when you go to court. It cannot however teach you how to be your own lawyer—you should get a lawyer.

The rules in this booklet apply if you are arrested by the Miami Beach Police and are tried in the Miami Beach City Court; otherwise some of the rules may be different.

This booklet is an experiment in that it will be distributed by the police at the time of booking to all arrested persons. It later will be evaluated as to its effectiveness and then may be republished in a revised form.

After you are arrested you will be "booked". That means you will be taken to the police station where a copy of the charges against you will be given to you. In most cases, it will be necessary for your photograph and finger prints to be taken. This does not mean that you are guilty.

When you are booked, your property will be taken for safe-keeping, and you will be given a receipt for it. All of your property will be returned to you unless it is illegal or stolen property.

All persons, as soon as they are booked, will be released if they can put up bail or if a reliable person will guarantee that they will come back for trial. Bail is money which is given to make sure that you will come back for your trial. If you do not come back, the money is not returned—and the judge can order that you be arrested again.

If you think that the bail is too much, you or your lawyer have the right to tell the judge why you think it's too much and you can ask him to lower it.

You will be allowed to use the phone to get money for bail and to advise your family or a friend and your attorney that you have been arrested.

If there is no one from whom you can get the bail money, the police will give you a list of bail bondsmen and you can phone one of them. The police will not tell you which one to call.

A bondsman is a person who puts up the bail money for you if he feels you will return for trial and if you agree to pay him a fee which is set by law.

After you are booked you will go to court as soon as possible. This is usually within 24 hours.

The City Court in which you will have your trial does not have a jury. The judge will decide the case after he has given both sides a chance to speak.

If the city has not had time to finish preparing the case, the prosecutor can ask the judge to hold the trial on another day. This is called a *request for continuance*.

If you have reasons why the judge should not give the city more time, then you or your lawyer should tell him. It might be that you are now in jail and not able to raise bail and get out or that you have a steady job and will lose it; or any other reason which you think is important.

If you have not had time to get a lawyer or prepare your case you also have the right to ask to delay the trial—to *request a continuance*.

If you cannot afford a lawyer ask the judge for one. He will ask the local bar association, or other agencies to help you in getting a lawyer without any cost to you.

When you come to court for the trial the judge will read the charges against you and then ask you if you are "guilty" or "not guilty." Do not plead either "guilty" or "not guilty" unless you understand what he is talking about. If you do not understand, ask him and he will explain.

In court you will find that the police and other witnesses for the city will tell their side of the story first. After each of the city's witnesses has finished speaking you or your lawyer can ask the witness questions about the case, but you must wait until he has completely finished. This is called *cross examination*.

Under the Fifth Amendment you do not have to say anything to the judge. After

the city's witnesses have finished speaking the judge will ask you if you would like to speak. If you do not want to say anything, you or your lawyer can tell this to the judge when he asks you for your side of the story.

Even though you do not have to say anything (under the Fifth Amendment), you or your lawyer can still ask questions of the police and other witnesses of the city and you can still bring your own witnesses to court and ask them questions which might help you. The prosecutor can also ask questions of your witnesses.

You may want to tell your side of the story if you think that it will help clear things up, but remember, if you do speak then the prosecutor can question you, but if you do not speak then he cannot.

If you do not speak the judge will not hold it against you since he knows that you have this right. And he will not find you guilty just because you do not speak. If he does find you guilty, your sentence will not be any greater just because you did not speak.

If you have a past record of arrests and convictions the judge will not look at them in order to decide if you are guilty because he wants to judge you only on this case and not on your past record. Only if he finds you guilty will he then look at your past record so that he can decide what the sentence should be.

If the judge finds you guilty, he will let you or your lawyer speak before he decides your sentence. You can tell the judge things that will help you get a lower sentence such as:

1. That you have a job or have a good chance to get a job.
2. That if you go to jail you will lose the job that you now have.
3. That your family or other people depend upon you to take care of them or to earn a living.
4. That you have never been found "guilty" of this offense before.
5. That you did not cause the police any trouble when you were arrested.
6. Any other things which you can think of which may be of help.

If you are found guilty the judge can sentence you to as much as 90 days in jail on each charge, and he may order you to pay a fine. If there is more than one charge against you, he can sentence you to 90 days on each charge and make you pay a fine on each.

If the judge orders you to pay a fine he will also tell you how many days you must stay in jail if you cannot pay that fine. If you can pay part of the fine then you will not have to spend as much time in jail.

All fines must be paid in cash. If you have put up cash as bail, it will be given back to you so that you can pay the fine or if your money is being held by the police for safe-keeping they will let you use it. The police will also let you use the phone to try to get money for the fine.

If you have spent time in jail before the trial for this case and are found guilty, that time will be subtracted from your sentence.

If you are a juvenile—have not yet reached your 17th birthday, tell this to the judge—then you cannot be tried in the city court, you will be taken to the juvenile court.

If you are over 17 but not yet 21 then you can be tried by the city court, but your parents, guardian, or some responsible adult must be told before you can be tried.

If your trial is for being drunk or if for some other offense committed while you were drunk, you should decide if you are a *chronic alcoholic*. You may be a *chronic alcoholic* if you cannot control your drinking; or if you do not have the power to stop drinking once you start and if this happens over and over again.

The judge knows that a *chronic alcoholic* is a sick person and he will try to help you

by sending you to A.A., to a special counselor or to a hospital instead of jail.

If you think you are a *chronic alcoholic* then when the judge asks you to tell your side of the story you or your lawyer can tell him this or if you decide not to tell your side of the story and he finds you guilty then you should tell him this before he sentences you.

#### THE CONGRESS NEEDS TO INCREASE VETERANS EARNINGS LIMITATIONS

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. PEPPER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. PEPPER. Mr. Speaker, on March 15 of this year I introduced legislation which would help keep the veterans pension program current with changes in the standard of living in this country.

We are all aware that the amount of annual income of a veteran determines the amount of his non-service-connected pension which he receives. It has become more apparent every day that these inadequate earnings limitations, which have remained in the law unchanged since 1959, need drastic revisions.

With the passage of the Social Security Amendments of 1967 and possible increases in the civil service as well as railroad retirement pension programs, it is time that we adequately increase the income limitations of our veterans.

I was pleased and honored to be the leadoff witness before the House Veterans' Affairs Committee which is holding hearings on legislation dealing with income limitations. I commend that committee for its actions in this area and urge my colleagues on the committee to favorably consider this needed legislation. I would like at this time to insert a copy of my statement before that committee for the attention of my colleagues and all those who read this RECORD:

STATEMENT OF HON. CLAUDE PEPPER BEFORE THE HOUSE VETERANS' AFFAIRS COMMITTEE IN SUPPORT OF HIS BILL, H.R. 7243 AND OTHERS BILLS DEALING WITH INCOME LIMITATIONS, SEPTEMBER 19, 1967

Mr. Chairman, I speak in support of H.R. 7243, introduced by me on March 15, during the present session. This bill would increase, and therefore render more lenient, income limitations which determine entitlement to the veterans pension. For example, under the present law, Section 521 of Title 38 of the U.S. Code, the income limitations for veterans with dependents are three, two and one thousand dollars. The eligible veteran with one dependent receives fifty dollars monthly if his income meets the most liberal or three thousand dollar limitation; eighty-four dollars if it meets the second limitation; and one hundred nine dollars if it meets the third, that is, the one thousand dollar, limitation. H.R. 7243 would increase these limitations by twenty percent. Rather than three, two and one thousand, the limitations would be thirty-six hundred, twenty-four hundred and twelve hundred respectively. It also increases the lower, more stringent limitations for single veterans.

The reason that I would permit disabled

veterans to receive twenty percent more income before reducing or completely eliminating their veterans pension is that cost of living adjustments under various government programs are increasing their retirement income. The adjustment of course does not increase the retirement benefit purchasing power over what it was originally. It only restores that power. But because the cost of living adjustment counts as income, it in effect makes the income limitation more stringent and reduces pensions. The adjustment therefore nullifies itself by decreasing the pension income.

I refer specifically to social security payment increases. The 1965 social security increases reduced, or completely eliminated the disability pensions of an estimated twenty-nine thousand veterans and their families. By all appearances, another social security increase is imminent. We, in the House of Representatives, have already passed H.R. 12080. Are we to allow the payment increases to defeat the purpose of the legislation which created them? Exactly this will happen when social security increases push thousands of veterans into higher income categories and thus reduce their disability pensions.

Many in the Congress have advanced the plan of excluding social security increases from income computation. The Senate has approved this plan five times. I believe, however, that outright increase of the income limitations is the most efficient and equitable way of meeting the problem. A social security increase does constitute income and therefore it should be taken into account in determining income. To exclude social security payments from income computations would be to make a fiction out of the system of income limitations. Why do indirectly what can be done directly? We continue to increase social security and pension payments because money steadily grows cheaper. The continuing cheapening of money calls for raising of the income limitations just as it does for raising of monetary payments. The constant decrease in the value of money renders the income limitations more stringent than intended.

The objection that the plan of excluding social security or other retirement increases is an "indirect" or "fictional" approach is closely related to the objection that it benefits only recipients of those particular increases.

I believe this factor is a major reason for its rejection by the House of Representatives. Indeed, the Conference Report to the Veterans Pension and Readjustment Act of 1967, just signed this month by the President states: "The Senate amendment [to exclude social security increases from income computation] was resisted by the managers on the part of the House on the basis that it was inequitable in that it applied only to increases under the Social Security Act and that the administration of such proposal would be extremely difficult. While covering social security increases, it would not give any relief to individuals receiving increases under the Federal civil service retirement or railroad retirement system or under any State, county, municipal or private retirement system." My plan of raising the income limitations, on the other hand, would not be to the exclusive benefit of social security recipients. By raising the limitations we would adjust the pension system to all sources of increased income of all veteran pensioners.

The Conference Report to the Pension and Readjustment Act further states that as soon as the amount of the 1967 social security increase is determined the necessary action will be taken "to assure that any increase in social security payments . . . will not result in a reduction of combined income from VA pensions, dependency and indemnity compensation, and social security or in removal of any person from the VA pension or compensation roll."

Mr. Chairman, I submit that the realistic test would be to insure that the social security increase does not decrease any separate source of retirement income, rather than to insure that combined Federal retirement income from all sources is not reduced. The conferees are saying that Congress will insure that after the 1967 social security increase an individual's Federal retirement income will be no less than it is now. Of course after a social security increase it should not be less than before. To insure that the social security increase equals the corresponding decrease in veterans pension is not enough. The veteran is entitled to the full increase and to the full pension. As I have already stated, the social security increase is a cost of living adjustment—if the veteran is deprived of it by consequent pension decrease, then he does not receive the restored purchasing power which is the purpose of the increase. If we insure only that the new social security rates equal the pension decrease resulting therefrom, we are depriving thousands of pensioners of the cost of living adjustment we grant to all other social security recipients.

I submit, therefore, that the conferees' promise to prevent decrease of Federal retirement benefits all totaled is not adequate justification for refusal to insure that veterans pensions not be reduced under any circumstances. H.R. 7243, of course, would effect that guarantee.

Last year Congress provided that no social security increase enacted this year would lower a veterans pension until the last day of the year. Because of the foresight of the 89th Congress we have time to act to prevent the decrease. But the hour is growing late. As already noted, we have passed H.R. 12080 which increases social security payments. Let us make sure that the time provided for this hearing is made use of, and that a remedy is found.

As I have stated on the floor, the present veterans pension income limitations have remained unchanged for eight years. During this same period large wage and price increases have occurred. The VA income limitations counterparts in the social security law, that is, the earnings limitations or retirement tests has been liberalized not once but three times. The social security earnings limitations are now twenty-five percent higher than in 1959 and a further liberalization is contained in H.R. 12080.

I see no justification therefore, for maintaining antiquated limitations. And with thousands of veterans thereby deprived of cost of living adjustments intended for all recipients, certainly I see no reason.

#### THE TIME HAS COME TO ENACT THE NATIONAL FLOOD INSURANCE ACT

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. PEPPER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. PEPPER. Mr. Speaker, with Hurricane Beulah now ravishing the Texas coast it has become more and more apparent that this Congress must enact the National Flood Insurance Act of 1967. As we all know, the hurricane season is only in its embryonic stages with many more of these devastating killers to come. In the past the Congress would enact "one spot" legislation to help recoup these devastated areas which have been hit by catastrophic flooding and disasters.



As we all know, the Senate has passed S. 1985 and the House Banking and Currency Committee, Housing Subcommittee, began hearings on this legislation this week. I know that all my colleagues are very interested in this legislation and I insert at this point in the CONGRESSIONAL RECORD my testimony before that subcommittee. Also, I insert an editorial which appeared in the September 12 Miami News urging the enactment of this legislation.

Mr. Speaker, I hope all my colleagues will consider supporting this needed legislation when it is brought before this body in the very near future. I also commend my colleagues on the Housing Subcommittee of the House Banking and Currency Committee for holding these urgently needed hearings on this subject. I know that the people of this Nation owe those members a deep vote of thanks.

The statement and editorial follow:

STATEMENT OF HON. CLAUDE PEPPER BEFORE THE HOUSE BANKING AND CURRENCY COMMITTEE, HOUSING SUBCOMMITTEE, REGARDING LEGISLATION TO ESTABLISH A NATIONAL FLOOD INSURANCE ACT, SEPTEMBER 20, 1967

Mr. Chairman and Members of this distinguished Committee, all of the 50 States of America have been the victims of natural disasters in the course of our history. And in the past 10 years over \$7 billion damages have been caused by natural disasters of all types in our country. Floods, hurricanes, tornadoes, tidal waves, storms and earthquakes may strike anywhere at anytime, leaving death and destruction in their wake. And the saddest and most serious consequences of these occurrences are the helpless economic posture of their victims and their inability to do much about it.

There is no one upon whom to place the blame. You cannot sue a flood or a hurricane and obtain the compensation to rehabilitate your home or business, to repair damages, and resume your accustomed way of life. Thus, the government, which has greater resources than any individual or businessman, must help ameliorate the damage. And, this, we have tried to do on a piecemeal basis.

At the moment of crisis, of course, every effort is extended to save lives, to keep the disaster from spreading, to feed and clothe and shelter the human victims. The American Red Cross, Federal Government and State and local government agencies and even individuals partake of the rescue operations.

It is later that the real problem arises. The victim, deprived of his home, his business, his means of livelihood, is left facing a dismal future.

If the disaster is of sufficient caliber to be of significance nationally, the Congress has on numerous occasions in the past approved legislation extending assistance to the afflicted area. But these actions are never sufficient and varying from time to time in their provisions, have little lasting effect and offer little for the future.

Extensions of credit, and in some instances grants under various Federal programs, offer some assistance. But again, these, although also well intentioned, are too scattered, too selective.

To my mind, a broad program of insurance against losses from these natural disasters offers the best potential protection to their potential victims.

The very fact that disasters may strike anywhere and at any time with broadscale effect has in the past militated against the private insurance industry undertaking to provide disaster insurance, and especially flood insurance.

Following some unfortunate experience at the end of the last century, flood insurance

has been notable for its unavailability. It is true that only those most vulnerable to flooding would be interested in acquiring insurance against floods, hurricanes and other natural disasters. After a few years of freedom from them the tendency would be to let it lapse. This places a burden on the few who would retain it, and force the insurer to charge premiums so high as to be beyond the ability of the property holder to pay, and militate against building the necessary reserve against the inevitable cataclysmic loss. For when a flood or hurricane occurs everyone suffers and an insurer is faced with claims of monumental caliber.

It is only fair that the property owner bear as large a part of the burden as he is economically able to handle. Americans are conditioned to insurance. Everyone has life insurance these days, fire, theft, health, accident insurance. Most of us are willing to pay a fair premium in order to protect our life and property. But these things are subject to calculation, losses can be to some degree predicted. There is a large body of actuarial information and body of experience that has been accumulated over the years so that premium charges bear a reasonable relationship to risk. Insurance companies are willing and able to undertake their calculated risks in these categories, but not for floods, hurricanes, and other natural disasters.

It is to fill in this gap that the proposals now before your committee have been made.

The thought is not new. There has been considerable effort and study devoted to the problem.

Since 1951 it has been continuously before the Congress in some form or other.

The most tangible result to date was achieved in 1956 with the passage of the Federal Flood Insurance Act authorizing the then Housing and Home Finance Administration to develop a plan for inaugurating a federally sponsored plan for flood insurance.

The Administration developed plans for such a program, with Federal support for an eventually privately operated system, through an initial Federal subsidy until the program could build up its reserves at which time the private insurance industry might take over on its own. A schedule of premium payments was outlined and provision was made for study of preventive measures such as flood plain zoning.

However, for lack of continuing funds the proposals were not activated and following its final report in 1958, the Federal Flood Indemnity Administration went out of existence.

The following year the chairman of the Senate Banking and Currency Committee introduced a bill calling for a flood insurance program largely based on Federal-State cooperation, to encourage wise use of flood plains and a study of the possibility of extending coverage to other natural disasters. However, no action was taken on this or on Representative Inouye's bill to extend the benefits to cover volcanic eruptions.

Beginning in 1962, Senator Williams of New Jersey introduced a bill calling for a study of the alternative methods of developing a Federal flood insurance program to be undertaken by the Housing and Home Finance Administration. The Senate Banking and Currency Committee reported it favorably after hearings and the Senate approved it, but that was as far as it got. A number of bills were also introduced in the House in the 87th Congress without success.

Two groups have conducted and have not completed detailed comprehensive studies of the broad question of flood insurance on a national basis.

The Southeast Hurricane Disaster Relief Act of 1965 authorized a study by the Department of Housing and Urban Development for the purpose of developing a workable flood insurance program under Federal sponsorship. Meanwhile, the National Association of Insurance Commissioners had des-

igned a special Flood Insurance Committee under the very able direction and chairmanship of the Honorable Broward Williams, Treasurer and Insurance Commissioner of the State of Florida.

The President on August 12, 1966, forwarded to the Congress the report and recommendations of the Department of Housing and Urban Development on the question of establishing a national flood insurance program in accordance with the provisions of the 1965 Act. But the Administration did not forward any proposals for legislation based thereon.

However, on June 23, 1967, Senator Williams introduced S. 1985 incorporating substantially the recommendations contained in the HUD report. He obtained 28 co-sponsors of this measure in the Senate. On June 26, 1967, I introduced H.R. 11142, which is identical with S. 1985 and with H.R. 11197, introduced subsequently by the distinguished chairman of this committee and nine co-sponsors. Other identical bills have been introduced for these proposals and still others have been introduced incorporating the original recommendations of the National Association of Insurance Commissioners. The Commissioners' proposal, which I introduced earlier, differs in being less specific in enumerating the details of procedure and operations, and with more responsibility to be placed on the shoulders of the private insurance industry.

On June 26, 27 and 28, 1967, the Senate Committee on Banking and Currency held hearings on S. 1985, S. 1290 and S. 1797, the latter two based on the National Association of Insurance Commissioners' proposals.

Following the hearings the Committee favorably reported S. 1985, with some amendments (Senate Report No. 549).

A provision was added for a Department of Housing and Urban Development report to the Congress, to include the reasons therefor, if the private insurance industry did not agree to the joint government-industry approach to the flood insurance pool provisions. In addition, the Secretary was given specific authority to staff the program, an element lacking in the original bill.

A limitation was placed on agreements between the Secretary and the industry on sharing profits to prevent them from exceeding the reasonable standards established in section 108 of the bill.

Although the Secretary would prescribe what records were to be kept by the insurance companies, the committee added a provision to permit the General Accounting Office to audit company books.

The eligibility list for membership on the flood insurance advisory committee was widened by the Senate committee to include representatives of lending institutions, State and local governments, and the general public.

The last amendment by the committee would give the Secretary authority to prescribe by regulation the circumstances under which certain low-income groups would not be precluded from other Federal disaster assistance.

This bill is now before the Senate and was initially discussed on the floor on September 13, 1967.

S. 1290, S. 1797, and the bill which I introduced on April 20, 1967, H.R. 8979, and a number of others which are based on the National Association of Insurance Commissioners recommendations would create a 5-man board, chaired by the Secretary of Housing and Urban Development to inaugurate and administer the national flood insurance program. It would encourage, and reinsure private flood insurance. The corporation would have initial capital secured by the issuance of bonds to be held by the U.S. Treasury. It would contract with private insurers for programs offering feasible premium rates to those other-

wise unable to buy insurance, paying the difference between premiums charged and actuarial rates. The corporation would cooperate with State and local agencies to develop land-use standards in flood hazard areas and determine flood risk zones with the cooperation of the Corps of Engineers.

These bills do not have the prerequisite contained in H.R. 11142 and H.R. 11197 calling on State governments to develop land-use and control measures before activation of the program within each individual State. However, the Secretary is directed to cooperate with State and local agencies in developing such measures.

These bills do not detail methods of determining rates, terms or conditions of the program, but leave these questions to the determination of the Corporation in consultation with the participating insurance companies.

The National Association of Insurance Commissioners has expressed its support for the HUD proposals as contained in S. 1985, H.R. 11142 and H.R. 11197, and the other identical bills.

I would suggest that this measure be amended so as to specify that a representative of the National Association of Insurance Commissioners be appointed to the advisory committee.

This organization has been active for some time, working toward a solution of the problem. It submitted its own proposals, which I have noted as being incorporated in a number of bills. Their proposals were not as specific in the details of operation but gave evidence of the willingness of the private insurance industry to shoulder a larger share of responsibility for the program.

My good friend, Mr. Broward Williams, Treasurer and Insurance Commissioner of the State of Florida, and Chairman of the Property and Casualty Subcommittee of the National Association of Insurance Commissioners, has testified at length on behalf of the proposals of the association.

Current hearings by this committee, designed primarily to permit industry representatives to be heard will develop the fact that they have already expressed themselves in substantial accord with the proposals contained in the Administration bill as represented by S. 1985, my bill H.R. 11142 and H.R. 11197.

Mr. Williams assures me that this is so, and further that the Association which he represents also supports the proposed legislation. He has been in constant contact in recent months with many members of the insurance industry who have expressed their willingness to cooperate to their fullest capability upon activation of the program.

In July 1967 a major grouping of private insurance companies met to consider how they will participate in the event of passage of the proposed legislation. These companies would provide the capital to backstop private participation in the joint program. Other companies, many of them independent insurers, would sell and service flood insurance policies and perform administrative duties associated with the program.

I therefore urge prompt favorable action on this measure.

#### CONGRESS DALLIES: HURRICANE MAY BEAT FLOOD INSURANCE

"All we really need is one big storm and you'll see some action by Congress."

An insurance industry spokesman was talking about the flood insurance program pending in Washington most of 1967.

At the rate of movement, hurricane Beulah may make it to land ahead of the Senate and the House of Representatives.

Rep. Claude Pepper sponsored a bill to establish a federally supported program protecting home and business owners in flood-prone areas of this nation. The bill has lan-

guished in a House subcommittee since early summer and Washington sources indicate the earliest possible moment for another hearing date is a week from tomorrow.

A similar bill, introduced by Sen. Harrison Williams of New Jersey, may actually pass the Senate this afternoon.

Flood damages, as every home owner knows, are not compensated for by insurance. We all recall hurricane Donna in 1960 which wreaked such havoc in both Miami and the Florida Keys, with its high waters. Hurricane Betsy, two years ago, ravaged New Orleans and much of the Mississippi delta, causing damage conservatively estimated at \$1 billion, the most expensive single disaster in the history of American insurance.

Flood insurance has had a soggy path in Congress, going back to 1956 when it was first proposed. Congress authorized a reinsurance and loan program for insurers and flood victims alike that year but then refused to appropriate any money to get the program underway.

Because of hurricane Betsy, the insurance industry has been reluctant to insure homes and businesses against flood losses. From the insurers' point of view, the huge claims they might have to pay are not balanced against low possibility of occurrence.

Representative Pepper's bill proposes a joint plan in which the federal government backstops participating private companies by helping them pay huge policy claims and in turn, would also help residents of high risk areas pay proportionately larger premiums.

The course of hurricane Beulah still is unpredictable today, but not half as much as the course of Congress.

#### LITTLE AND LATE—BUT NEEDED

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. SIKES] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SIKES. Mr. Speaker, for more than 2 years many of us in Congress have urged the development of an antiballistic missile system in the United States. It has long been known that the Soviets are constructing such a system and it has been our concern that we in the United States were tolerating a serious weakness in our own defense posture by failing to offset this with a system of our own. Secretary of Defense McNamara has argued that costs were so great—as much as \$30 billion—that it would be better to depend upon a massive strike capability against the Soviets.

To me, there is weakness in this reasoning in that the United States is committed to a "no first strike" policy. This would permit the Russians to get off the first nuclear strike, an action which could kill as many as 90 million Americans. The havoc created by such a strike could possibly destroy this country's capability for effective retaliation, and this the Russians well know. Regardless of this fact, it has never appeared acceptable to me to consider \$30 billion more important than 90 million American lives. After all, we are now spending that much each year in Vietnam to stop the spread of communism in Southeast Asia. We can spend as much to insure the life and security

of America and its people. Actually, the cost of an ABM system would be prorated over approximately 5 years, thus creating a considerably smaller burden than the cost of the Vietnamese war.

The administration has hoped through negotiation to achieve an agreement that the Russians would cease the development of their ABM system. This has not been possible. Now the Red Chinese have entered the picture with an unpredictably rapid development of their own nuclear weapon capability. In less than 3 years, Red China has become a thermonuclear power and conceivably they will have an ICBM capability even before we can develop a defense against this new threat.

It would be foolhardy to continue to assume that fear of retaliation will deter potential aggressors. The belligerency of the Red Chinese is too well known to require comment. They will blackmail their neighbors into compliance with their demands whenever their military power and their internal situation permits them to do so. When they are capable of launching a nuclear attack upon the United States, our position of world leadership will be doubly jeopardized if we have no defense against such an attack. Even more ominous is the risk to our country and its people.

It has not been brought out previously but this country may face the threat of a double attack from the two great Communist powers. There is no assurance whatever that the breach between Red China and the Soviet Union will not be healed in the event of a massive confrontation with the democratic world. The risk obviously is unacceptable.

Development of an ABM system is, of course, expensive but now doubly necessary. We simply have no choice. The security of our country must be our first consideration and must receive the highest national priority. America and its people have too much to lose to ignore the challenge which is presented. The question then is whether we are proceeding rapidly enough toward the development of our defenses. The system which has been approved is the so-called thin China-oriented ABM system which will require an expenditure of \$5 billion over the next 5 years.

The system which will be built does not measure up to the need for a fully effective ABM system. It is little and late—but needed. Not too little and too late—but not enough. I would hope that the President would recognize the necessity for taking every possible step to insure America's security in the years ahead. For years we led in the development of nuclear weapons. That is no longer true and it becomes more and more essential that we now take any steps at our command to discourage and deter nuclear attacks which the lack of an ABM system could prompt. We have an Achilles heel which offers a tempting target and which is too dangerous to tolerate further. I urge in strongest terms that there will be an immediate expansion of the planned ABM system to insure fullest possible protection and that its long-delayed construction be launched immediately.



# CONGRESSMAN ANNUNZIO URGES EARLY ENACTMENT OF NATIONAL VISITOR CENTER LEGISLATION

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. ANNUNZIO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ANNUNZIO. Mr. Speaker, on September 12, 1967, it was my pleasure to appear before the Subcommittee on Public Buildings and Grounds of the House Public Works Committee to testify in support of legislation providing a Visitor Center for the Nation's Capital.

Today an editorial appeared in the Washington Post urging that a National Visitor Center be completed and operating prior to the bicentennial celebration of our Nation's birth in 1976. I heartily concur in this idea, for the Capital of the United States has long been in need of organized assistance for the millions of visitors who come here each year from every State in the Union and from many countries all over the world.

What better way is there to welcome these visitors to the Nation's Capital than by providing a Visitor Center where they can leave their cars, collect information, receive assistance from guides, and begin their tour under pleasant circumstances and surroundings?

Hon. KEN GRAY, the distinguished chairman of the Subcommittee on Public Buildings and Grounds, has introduced H.R. 12603 to provide for a National Visitor Center and his subcommittee has already held 2 days of hearings on this proposal. I have joined Congressman GRAY by introducing H.R. 12770, which is identical to H.R. 12603, and I urge my colleagues to support this much-needed legislation.

The editorial follows:

## ON WITH THE VISITOR CENTER

The final report of the National Visitor Center Study Commission causes wonder as to how the city has ever gotten along without the facilities now contemplated. The blunt truth is, of course, that it has not gotten along very well. Hordes of visitors who have a direct, personal interest in their National Capital have been left to drift in confusion. Usually unable to park anywhere near the buildings and historic shrines they want to see, many leave without really attaining the purpose of their visit. Meanwhile the city has been unnecessarily congested by the automobiles of drivers who are not sure where they wish to go.

The transformation of Union Station into a Visitors Center from which tours will be conducted to all points of scenic and historic interest is an ideal solution of the problem. It will provide in one commodious center not only parking space and all varieties of tourist information, but also orientation films, the film diorama, exhibits, a nursery, a hotel reservation center, a tour desk and even an infirmary and "short-stay" hotel. Beneath the parking ramps at the rear of the present building a modern railroad station will also be built.

The Center will go a long way toward making Washington the most desirable city in America to visit. As the Nation's Capital, it should occupy this position, but in the past it has done far too little to welcome its visitors and enable them to see the city with

comfort and understanding. Now that an admirable plan has been devised to correct this long-standing deficiency we hope that it will move promptly to fulfillment. It is especially desirable to have the new center in operation well in advance of the country's celebration of its 200th birthday in 1976.

# PRESIDENT JOHNSON WELCOMES THE PRESIDENT OF ITALY IN A NEW DEMONSTRATION OF HAR- MONY BETWEEN TWO FREE AND INDEPENDENT NATIONS

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. ANNUNZIO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ANNUNZIO. Mr. Speaker, President Johnson received the President of Italy on his current official visit with the warmth, dignity, and respect that all Americans feel for the people and the Republic of Italy.

In his greetings, President Johnson enumerated the long and close ties which have joined Italy and America for hundreds of years.

The joint communique issued after their talks was another illustration of the identity of views between our two countries on all basic issues—war and peace, economic development, stability in Southeast Asia and the Middle East.

The visit of President Saragat is also another illustration of a wider Johnson initiative—the initiative of person-to-person diplomacy. The initiative of sitting down face to face with the leader of another free nation and discussing frankly and openly the issues which unite and, perhaps, divide us.

This is the kind of frank personal diplomacy the Nation has now come to associate with President Johnson.

A dramatic demonstration of personal diplomacy was the summit meeting at Glassboro in which the President and Premier Kosygin discussed their problems and hopes, face to face for long hours at a time—and indeed the world was a little safer when that meeting concluded.

But President Johnson does not give this kind of personal attention only to large or powerful nations. He devotes his full attention to the leaders of every nation officially visiting the United States. In the last year alone there have been dozens of officials and unofficial visits to the White House by leaders of sovereign nations. Each visitor was treated with respect and cordiality. Each visitor knew that Lyndon Johnson was personally interested in his nation and the progress of his people.

The Republic of Italy and the United States have always been the closest of friends. The visit of President Saragat reinforced that friendship.

Our President has again shown us in foreign affairs or domestic affairs, personal interest, personal involvement, personal contact, can be as valuable as world conferences or world treaties or international commitments.

I believe that the nations of the world today look upon the United States with greater approval, more respect, and greater friendship and understanding than at any time in this century. And the reason they do so is because of the untiring and selfless efforts of President Johnson.

## PROTECTING SAFETY

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, in urging the enactment of firearms control legislation, the President, speaking last Thursday evening before the International Association of Chiefs of Police at Kansas City, stated that passage of gun legislation "would plug one more big loophole to save your life, or mine, or the life of some innocent child down the street."

FBI Director J. Edgar Hoover, writing in the September 1 issue of the FBI Law Enforcement Bulletin, stated the question in simple terms. He said:

We have reached the point where the time for debate is past; the time for action is here.

I wholeheartedly agree with these sentiments. Delay can no longer be tolerated, as pointed out in an editorial entitled "Protecting Safety" from the Washington Post of September 16, 1967. I commend this article to each Member of the House and include it as a part of my remarks at this point:

## PROTECTING SAFETY

The President's hard-hitting message to Congress on gun control, immediately following his earthy, practical speeches on crime to the International Association of Police Chiefs on Thursday, points to an imperative need. "Last year," he told the Congress, "two million guns were sold in the United States. Many of them were sold to hardened criminals, snipers, mental defectives, rapists, habitual drunkards and juveniles. There is no excuse for this." There is no excuse at all. And no member of Congress who does not do all that he can to correct this condition has any moral right whatever to prate about crime in the streets, or organized crime or any other kind of crime than his own callous neglect of elementary public safety.

"Let's not be content to bewail the rising crime rate or to talk about the statistics or the numbers of repeaters who fill our jails and prisons," Mr. Johnson said of the police chiefs, "while we turn our backs and ignore the fact they can go to any mail order house and get a weapon to shoot your wife after they tear the door down at midnight." Talking to policemen about the moral idiocy of allowing guns to be sold to any thug or lunatic who may want them is talking about a matter of life and death of them. Of the 278 officers killed in this country since 1960, 96 per cent were killed with guns.

Quoting the FBI statistics, the President told Congress of a 24 per cent rise in the use of guns in aggravated assaults in the first six months of 1967. The President has every right to assert, as he did to the Police Chiefs, that the long-pending legislation to limit out-of-state purchase and interstate mail order sale of firearms "is the most effective

way that the Federal Government has of protecting your safety and the safety of your children from criminals and drug addicts and the mentally ill."

The President has every right, too, to decry "hand-wringing about crime in the streets" on the part of politicians who sabotaged his Safe Streets bill in the House and sidetracked it in the Senate. The local police all over the country are in desperate need of Federal help—in training, in equipment, in reorganization. "Self-righteous indignation," as the President said, "is not a policy. It is a substitute for a policy." America needs more weapons in the hands of law enforcers and fewer in the hands of lawbreakers.

#### ALTERNATIVE TO SURTAX

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, probably the most controversial measure now before Congress is the proposed 10-percent surtax on personal and corporate income. The administration claims a dual need for a surtax—to finance the war in Vietnam, and to combat inflation. However, a number of people remain unconvinced of the certainty of pervasive inflation and desire reduced Government expenditure in nondefense areas.

To my mind, the two points of the argument in support of a surtax do not belong together. For one thing, the 10-percent surtax will probably not cover the deficit. Even if enacted, it is estimated that wartime expenditures will exceed revenues by \$14 to \$18 billion. While the surtax would undoubtedly curb inflation, what if the several indicators of a sluggish economy prove more indicative? How quickly could we reverse a surtax in the face of recessionary pressures? It took Congress more than a year of talk before we enacted the last tax cut.

In a letter dated September 12, I suggested to the distinguished chairman of the Ways and Means Committee that a repayable surcharge of 5 to 10 percent would be a more expedient anti-inflation measure. Instead of taxing again a citizen's total tax liability with a 10-percent surtax, this surcharge would be a forced loan to the Government at a percentage of his tax liability. To compensate for the involuntary nature of this loan, the surcharge could possibly accumulate interest in the same manner as a series E savings bond.

The surtax would be repayable to the taxpayer within 5 years. The timing of the repayment could be at the discretion of the President, perhaps with the consent of the Congress, and would therefore be an effective fiscal tool to boost the economy when conditions so warrant.

Under this repayable tax plan, the surcharge could be put aside in a trust fund, like that for social security. It could be given back to the taxpayer when the inflation danger has passed. The trust fund could be held in the Treasury as an

asset to offset the liability. This would safeguard the funds repaid and discourage increased Government spending that might otherwise be prompted by the inflow of funds.

By separating deficit financing from the need to combat inflation, it may be possible to offset inflationary pressures before they become so extreme that Congress has no alternative but to pass the 10-percent surtax. And where the surtax would be a serious detriment in downturn periods, repayment of the surcharge would provide a flexible counterbalance.

I would like to acknowledge that my surcharge proposals originate from certain papers and newspaper columns of the UCLA economist, Harold M. Somers. I wish at this point to include the text of my letter to Chairman WILBUR MILLS suggesting the surcharge as an alternative to the surtax:

SEPTEMBER 12, 1967.

Hon. WILBUR D. MILLS,  
Chairman, Committee on Ways and Means,  
House of Representatives,  
Washington, D.C.

DEAR MR. CHAIRMAN: The Congress is presently considering the administration's tax proposal of a 10% surtax on income taxes for both individuals and corporations.

The surtax is designed to cut an expected deficit and to curb inflation. But what if the favorable economic forecasts are wrong? How quickly can Congress strike out the surtax if economic activity reverses itself? The last income tax cut took over a year of talk before the law was enacted. The recent restoration of the investment credit took months.

I propose an alternative plan. I suggest a surcharge of from 5 to 10% on personal and corporate income tax liability in the form of a deferred credit repayable to the taxpayer within five years.

This would be distinguished from a "surtax" in that the amount involved is borrowed from the taxpayer, not taken away from him forever.

The deferred credit could even carry interest to compensate the taxpayer-lender for the involuntary nature of the loan. The credit could also be repaid earlier than five years, at Presidential discretion, thus achieving the effects of a tax cut when conditions warrant.

The funds received through the surcharge could be held in a trust fund as a Treasury asset to offset the liability.

This would tend to "safeguard" the funds until repaid and discourage increased government outlays that might otherwise be prompted by the inflow of funds.

With every good wish, I remain

Sincerely yours,

HENRY B. GONZALEZ.

#### A TRIBUTE TO NIKOLA PETKOV

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. DINGELL. Mr. Speaker, this Saturday, September 23, we will mark the 20th anniversary of the execution of one of Bulgaria's bravest heroes—Nikola Petkov. With the influx of Communists and Communist control in Bulgaria at

the end of World War II, Petkov who had been the Vice President of the Council of Ministers of the Fatherland Front Government, left the Bulgarian Government. Later, in 1946, the Communists tried to intimidate Petkov and other opposition leaders to rejoin the Government on Communist terms but he refused. This courageous chief calmly informed the Communists that he was a Bulgarian political leader and could not accept instructions from any foreign power.

Before the September 1946 elections Communist persecution, imprisonment, and execution of opposition leaders reduced this valiant group to a mere shadow of its former self in numbers. Even so, Petkov waged a strong campaign against the Communists and the opposition polled one-third of the total vote. At this point the Communist government could no longer tolerate the flagrant opposition carried on by this soldier of freedom. On June 5, 1947, 1 day after the U.S. Senate ratified the Treaty of Peace with Bulgaria, the Communists arrested Nikola Petkov. He was tried in a people's court, described by many as a "kangaroo" court, on charges of conspiracy and high treason and was promptly sentenced to death by hanging. Throughout this process Petkov held to his principles of truth and freedom and did not yield to his captors' demands for a confession of his "crimes." The pleas of the Western Powers in Petkov's behalf did not alter the Communists' determination to carry out the execution and on September 23, 1947, Nikola Petkov was legally murdered.

The chronicle of this vastly significant act provides, in 1947 and in 1967, an incisive picture of the extent to which the Communists flaunt individual freedoms and rights and international commitments. The horror of Nikola Petkov's death serves as a forceful reminder of the terrors of Communist rule for anyone who thinks communism can solve his country's problems. Petkov's courage and determination in his fight against his Communist enemies serves as a vivid example to people throughout the world who have been threatened with the destruction of their freedoms by harsh rulers. Mr. Speaker, I ask the Congress to join with Bulgarian Americans in Michigan, and in the United States in the commemoration of the tragic death of this great man, Nikola Petkov.

#### PUBLIC BROADCASTING ACT

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. VAN DEERLIN] may extend his remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VAN DEERLIN. Mr. Speaker, I direct the attention of Members to a bill scheduled to come to the floor tomorrow, which has very special meaning to our House Committee on Interstate and Foreign Commerce.

Nearly 6 years ago, this committee re-



ported out the Educational Television Facilities Act of 1962, Public Law 87-447.

Since the enactment of this legislation, \$32 million has been made available in construction grants constituting a program of Federal support which has activated 93 noncommercial television stations in 47 States, the District of Columbia, and Puerto Rico.

The legislation which the committee then passed has more than doubled the number of educational television stations existing in 1962 when it was signed into public law. It has made possible the establishment of stations to reach an additional 50 million Americans which are within the potential signal of educational television stations. In California, grants under the Facilities Act provided for the activation of three new ETV stations—including the first such service for metropolitan Los Angeles—and for the expansion of three stations which were in operation prior to passage of the act.

As a result of stimulation provided under the ETV Facilities Act, the San Diego area began receiving its first noncommercial educational television broadcast service when station KBES-TV began operation on channel 15 as of June 25, 1967.

Activation of the station was assisted by a Federal grant under Public Law 87-447 to San Diego State College. The station will serve an audience of 1,275,000 person in southern California, including 328,000 students attending 476 educational institutions, with comprehensive broadcast services which will include in-school programming on the elementary and secondary levels in a wide variety of subject areas during daytime hours, and an evening schedule of informational, educational, and cultural offerings for the adult community.

Four California applications currently pending cannot be granted because the State allotment of \$1 million under this act has been exhausted. Current planning for stations in at least three other State locations, is underway, but the support given by H.R. 6736 is needed if these stations are to be constructed.

Throughout the State, educational institutions operate 31 noncommercial radio stations—only seven of which operate at a power of 1 kilowatt or more. The new coverage of educational radio stations for facilities grants in H.R. 6736 will enable these noncommercial stations to enlarge their operating frequencies.

Title I of H.R. 6736 builds on these past achievements. It requests \$10.5 million for fiscal 1968 and it extends the program through 1972. The limit in the present legislation of \$1 million for any one State has been replaced by a State limit of 12½ percent of the appropriated grants in a given fiscal year.

Title II of the legislation establishes a new vehicle, a Corporation for Public Broadcasting. This Corporation will have a Board of Directors of 15 members and will be charged with the broad duty of seeking ways to finance and improve the general range of public broadcasting in the United States, a term that loosely covers noncommercial radio as well as television.

In part, the legislation was based on

the recommendations made in the thorough and exhaustive report of the Carnegie Commission on Educational Television. But the legislation is the sum total of many efforts, both public and private, which have resulted in this far-reaching and imaginative idea for a federally chartered, nonprofit Corporation. Title II further authorizes \$9 million in "seed money" to start the operation of the nongovernmental Corporation.

Why is this Corporation important?

It is important because we have begun to grasp the full promise of the medium of noncommercial broadcasting, both in the fields of television and radio. The minimum goal of public television is to make a usable signal available to all our citizens and this has been done, largely through the farsighted actions of this committee which 6 years ago this month conducted exhaustive hearings on the subject of proposed facilities grants.

Now, we have a chance to go further.

Our legislative history and guidelines set down by this committee and the Senate make it clear that the Corporation will not be allowed to interfere in the autonomous operation of stations. The Corporation will not produce programs. Local stations will not be forced—through any mechanism—to broadcast programs which might be carried over any system of interconnection which the Corporation's Board of Directors sees fit to support.

In short, the Corporation is what many of us in this legislative body would like to see established. It will bring outside thinking into a field already dotted with imaginative ideas on the local level. The thought already fed into educational television stations from Maine to California and from Washington to Florida can now be provided some national leadership. And, most important, this leadership will be nongovernmental and responsive to the needs of the American people.

The technological advances in the general field of broadcasting have made it imperative that this Corporation provide the needed leadership. The Corporation would assist—by grant or contract—in developing programs for national, regional, or local transmission over noncommercial stations. The Corporation is also charged with facilitating interconnection among stations.

This interconnection would make possible simultaneous transmission of an event to other public television stations or it could be used to store up locally produced programs for future distribution. Thus, if a station in Des Moines, Iowa, produces an excellent production of Shakespeare, the system of interconnection could be used to store this production for local stations if they wanted it for later broadcasts.

An authorization of \$9 million is requested for fiscal year 1968.

Finally, title III requests a research study on the role of instructional television. This study would authorize the Secretary of Health, Education, and Welfare to undertake or contract out for a comprehensive view of the possibilities and limitations of instructional television, including technology, program con-

tent, costs, conditions of classroom use, and so forth. The finding of this study will be transmitted to Congress and will furnish the basis for such future legislation as may be needed.

In 1965 the California Legislature enacted legislation which provides assistance on a matching basis for instructional television programming. Future needs, however, for both facilities and quality programs, exceed the ability to finance them entirely from State resources. Passage of the bill will permit a State-Federal partnership for improved educational services for our young people.

In brief, Mr. Speaker, these three provisions are consistent with the position that this committee took in 1961 during hearings on the amendment to the Communication Act of 1934 to establish a new program of Federal matching grants for educational television facilities.

The Public Broadcasting Act of 1967 builds on this experience and more, offers a new vista of achievement to the American people.

In any democratic society, a fully informed electorate should be one of our highest goals. Consistent with this ideal, the Public Broadcasting Act of 1967 will offer the citizens of our country the means to inspire and uplift our people.

Let us not lose this opportunity.

Let us face up to the challenge we have before us.

Mr. Speaker, I urge speedy enactment of H.R. 6736, the Public Broadcasting Act of 1967.

#### THEY THINK FOR PAY

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Washington [Mr. FOLEY] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FOLEY. Mr. Speaker, today's Wall Street Journal carries a front page story by Bowen Northrop on one of the outstanding research organizations of our time—the Hudson Institute—whose guiding spirit is the eminent political and military analyst, Herman Kahn.

Mr. Speaker, I should like to note, in particular, the Hudson Institute's educational activities. I have been privileged to attend two seminars there which I can commend to my colleagues on both sides of the aisle as of singular value.

The institute under its president, Max Singer, is today turning its impressive expertise, developed preeminently in the defense and foreign policy fields to domestic problems, the challenge of economic development abroad, and the systematic study of the future.

Mr. Northrop's article is a fine introduction to the work of this highly innovative community of scholars and problem-solvers whose continued counsel makes a significant contribution to wise and effective public policy.

The article follows:

THEY THINK FOR PAY—HERMAN KAHN'S EXPERTS MULL NUCLEAR STRATEGY, CIVIL DEFENSE, FUTURE—HUDSON INSTITUTE'S STUDIES MAY ALARM THE LAYMAN, BUT PENTAGON VALUES THEM—URBAN RENEWAL AND THE HIPPIES

(By Bowen Northrop)

CROTON-ON-HUDSON, N.Y.—On a quiet, wooded hillside overlooking the Hudson River, Herman Kahn and his associates are conducting a nonstop thermonuclear war—with words.

They also are contemplating the topography of Colombia, the implications of the hippie movement, the shape of the world in the year 2000, a plan for urban renewal on New York City's Welfare Island and the prospective problems of a "post-industrial society" in which more time may be spent at leisure than at work.

"The world is our oyster," says one staff member at the Hudson Institute. "We may look into 100 ideas. Two or three may work. We aren't concerned about our batting average." Hudson is a free-wheeling specimen of a singular American institution—the "think tank," or independent research group doing studies for Government and industry.

Voluminous reading, meditation and an endless flow of conversation are the chief activities in Hudson's seven cottage-style buildings (formerly a mental institution). Its products are reports issued to appropriate parties in Government and elsewhere, plus periodic briefings and seminars for visitors.

Since Rand Corp. was formed in 1946 by scientists who had participated in World War II planning, the think tanks have proliferated. They now number several hundred organizations in a multi-billion dollar industry, and along with scholars from the universities, they have carved out a solid niche in the policymaking apparatus of Government. Business organizations favor them as high-powered consultants.

A think tank may investigate the most desirable flavor for a new chewing gum or advise on paramount questions of national policy. How influential they have been is a matter of debate. It is generally conceded that Rand's impact on Government has been great, but several foreign policy experts suggest that the importance of the others may have been exaggerated.

#### THE LARGER ISSUES

Hudson is a think tank with a specialty; its acknowledged forte is pondering the most long-range, speculative questions of strategy and policy in the nuclear age. "More than half our people spend more than half their time thinking about the larger issues," says Mr. Kahn, Hudson's director.

Hudson is different in other ways, too. Whereas Rand and other large organizations have more than 1,000 employees, among them legions of technical experts, Hudson has total staff of about 75 (soon to be expanded to 90), including about 35 scholars and experts in various fields.

But its most distinctive asset probably is Mr. Kahn. A physicist and mathematician by training, he is a man of prodigious intellect whose knowledge now embraces many fields. A mainstay at Rand for 12 years, Mr. Kahn broke away to form Hudson in 1961. He had burst into public prominence a year earlier when he published his book *On Thermonuclear War*. In it he dispassionately considered the most horrific possibilities of all-out conflict, deciding, for instance, that attacks on 157 major American cities might kill 160 million Americans but that 20 million would survive to reconstruct things within a century.

#### AN ANGRY REVIEWER

When the book appeared, some observers dubbed Mr. Kahn "the Clausewitz of the nuclear age," but one angry reviewer said he was ashamed to be a citizen of the same nation as the author. Mr. Kahn was widely de-

scribed as a creature of the "hawks," and Groeteschelle, the crazed Government adviser in the film *Fall-Safe*, was said to have been modeled after him.

Mr. Kahn doesn't fret about this public image. He is a large (official weight, 220 pounds; actual weight, several dozen pounds more), genial and ebullient man with a broad and innocent face who prefers to talk about Hudson Institute. "I am an average, everyday, middle-class American male," he says blandly. Others disagree:

John Foster, Director of Defense Research and Engineering, Department of Defense: "Herman is a phenomenon. Herman is Hudson."

Prof. Hans Morgenthau, Director, Center for the Study of American Foreign and Military Policy, University of Chicago: "When I first heard him, I thought, 'This is one of the most productive minds I have ever encountered.' But he is a great joker; he plays with ideas, others take them seriously. He must be taken with a large grain of salt."

Edgar A. Glick, Librarian, Hudson Institute: "Herman is a reading machine."

Probably most important, as Mr. Foster suggests, is that "Herman is an inspiration to everyone at Hudson." Mr. Kahn's energy is great, and his conversation is a restless flow of spur-of-the-moment insights, shrewd assessments of people and events, information from many fields and parenthetical witticisms. "But he is a good listener," says Max Singer, Hudson's president.

Through conferences in Mr. Kahn's book-crammed office, in exchanges through the Hudson intercom, in evening meetings at Mr. Kahn's home, or in sessions of talk snatched in such moments as riding to an airport, Hudson's director trades ideas and information with his staff.

In the institute's early days, an expert occasionally would post a notice on the bulletin board indicating that he would be in the conference room at a certain hour to discuss an idea that intrigued him. "Sometimes those discussions would go on for days," a research aide says. Now the staff members know one another's interests; a session of talk is likely to involve three or four men in an office.

Think tanks operate under a major restraint: They generally can't afford to think about something unless someone will pay them for it. Like most such organizations, Hudson is dependent primarily upon Federal funds, and the bulk of its work falls into Mr. Kahn's fields of expertise, high policy and strategy.

Of the \$1,220,000 received by the institute in the fiscal year ended June 30, 1966 (the figure for fiscal 1967 is about \$1,330,000), \$610,000 came from the Department of Defense, \$320,000 from the Office of Civil Defense, another \$120,000 from other Government sources, and non-Government sources contributed \$170,000, including \$35,000 in unrestricted grants.

Two-thirds of Hudson's contracts, Mr. Kahn says, are "felt needs"—projects that need to be done—and the rest are taken on "because we're interested." The institute frequently turns down project offers and doesn't take on many business assignments. "If a company's problems tend to be the same as those of the country, then we'll look into it," Mr. Singer says. These clients tend to be defense contractors.

Hudson policy studies bear titles such as "Strategic and Political Factors Affecting Use or Threat of Force, 1965-1975 and Thereafter"; "Political, Strategic and Tactical Considerations Involved in Ballistic-Missile Defense"; "Models and Methodologies for Analyzing Post-attack Recovery Problems"; and "Studies on Counterinsurgency War," with emphasis on Vietnam. "We don't use Hudson for the fire brigade, for the crisis of the moment," says Mr. Foster of the Defense Department. "We use them for things a year or several years in the future."

#### GRADUAL ESCALATION THEORY

Hudson studies civil defense in a broad framework, with interest in reducing U.S. vulnerability as well as casualties. A persistent notion outside the institute has been that a nuclear conflict would erupt and be over within minutes or hours; Hudson maintains that escalation would be likely to take place over a period of weeks, months or even years, allowing for detailed preparations.

The language of the policy thinkers is both blunt ("Russia hits us with a missile; we hit them with a missile; tit for tat") and opaque; Mr. Kahn's escalation ladder, wherein he charts the "way stations of ascending conflict," has as three of its "rungs" "slow-motion counterforce war," "constrained force reduction salvo," and "constrained disarming attack." (The top rung, number 44, is all too understandable: "Spasms or insensate war.")

Thinking About the Unthinkable (the title of Mr. Kahn's second book) would seem a harrowing day-to-day task, but Hudson's experts go about it with professional detachment. A working motto is, "If you wish to prevent war, prepare for war."

Mr. Kahn's thinking brims with iconoclasm. He considers it likely that resurgent Japan, rather than China, will be the future colossus of Asia ("When we think of China, we tend to multiply everything by 750 million; population isn't that important"), and despite the bleak headlines in the newspapers, he believes (and has a graph to demonstrate it) that the danger of all-out war is much less now than it was in the mid-1950s.

#### HAND-PICKED EXPERTS

Hudson's staff, hand-picked by Mr. Kahn, now includes experts in international relations, Chinese studies, social projections, economic analysis, engineering, arms control and other specialties. Some are Ph.D.s, others not. "All these people are better than their credentials," Mr. Kahn says. The senior staff men get paid from about \$18,000 to \$30,000 a year.

What excites Hudson's scholars isn't the idea that already has passed into the "conventional wisdom," but the new idea, or the controversial idea that hasn't been accepted. Some critics question the think tanks' independence; Chicago's Prof. Morgenthau, for instance, suggests that their "freedom of maneuver is limited by what is acceptable to the Government," but Mr. Kahn denies this.

"We never approve of things as they are," he says. "We ask, where can major improvements be made? If not that, where can significant improvements be made? If not that," he adds puckishly, "nit-pick."

The Vietnamese war, which is becoming a priority project at Hudson, is a case in point. Mr. Kahn believes that the massive U.S. buildup two years ago, preventing a Communist victory, was a masterful operation, but he bluntly says that the current policy ("the 'ouch' method") designed to bring North Vietnam to the bargaining table has been "Incredibly inept" in its execution.

#### SOME SUGGESTIONS FOR VIETNAM

"Can you win the war?" he asks. "We don't know. Can you improve the prosecution of that war? We think so." One of his concerns is security for South Vietnamese villages: "We feel you have to win the small war." Another suggestion: Give battlefield commissions to deserving South Vietnamese non-commissioned officers. "In a peacetime army you can't have officers who don't know how to use a fork," Mr. Kahn says. "In wartime that doesn't matter."

Hudson charges cost plus a fixed fee for its work, which comes to about \$46,000 per man-year. As a tax-free, nonprofit institution, it turns back extra funds into pet projects. Such an undertaking is its "futures" program, which has resulted in a book to be published by Mr. Kahn next month. The



book is entitled *The Next Thirty-Three Years: A Framework for Speculation*.

It is a fantastic collection of extrapolations and insights. Among 100 "very probable" technical innovations envisaged by Mr. Kahn are the capability to choose the sex of unborn children, artificial "moons" to light huge areas, automated housework, inhabited undersea colonies and programmed dreams.

The book also outlines "10 for-out possibilities," including major modification of the human species, interstellar travel, laboratory creation of artificial live plants and animals, and "antigravity."

#### TALKING TO THE HIPPIES

Mr. Kahn conjures up an America of the year 2000 in which Negroes may dominate the major cities, where work may become a secondary concern ("Anyone can make \$10,000-\$25,000 per annum by coasting") and where the philosophies of the hippies and the Black Muslims may be major concerns. He has interviewed the former on MacDougal Street in New York's Greenwich Village and the latter in Chicago.

Not all of Hudson's work is speculative and theoretical; it also has "bricks and mortar" projects. Robert Panero is "Herman's engineer," with the title of director of economic development studies, and he now is shaping a massive urban renewal proposal for New York's Welfare Island, a 1.8-mile-long island in the East River between Manhattan Island and the borough of Queens.

Two aging hospitals and some other abandoned buildings are the chief structures on Welfare Island now. Hudson's scheme is grand: Build a "Ponte Vecchio" like that in Florence, Italy, to connect the island with Queens. This broad pedestrian bridge would have shops and recreational attractions along either side.

Hudson would relocate the hospitals and build apartment houses for 250,000 persons on one quarter of the ground space. The rest would be parkland. With rents ranging from \$100 to \$250 a month, all classes could afford to live on the island. Hudson estimates the cost at \$1.5 billion; it suggests that private industry could develop the project profitably under medium-term leases, with control eventually reverting to the city. Hudson envisions such attractions as "boatports" in the basements of the apartment buildings and notes residents would have rapid access to Manhattan.

#### ADJUDICATING LATIN AMERICAN DEVELOPMENT

Mr. Panero has just returned from Colombia, where Hudson is advising the government on construction of a series of "low dams," an inexpensive method to spur development of the largely uninhabited interior. This is what Hudson calls a "catalytic development" project, and the idea has been expanded to the point where Messrs. Panero and Kahn have issued a report entitled "A South American 'Great Lakes' System."

Mr. Kahn is quick to concede that Hudson doesn't have the "800 technicians" of Rand, for instance, and in the Colombian project the government retained the institute for overall planning while contracting out the engineering to Colombian companies.

To compensate for limited resources, Hudson has on tap a number of consultants, plus affiliations with two groups called Public Members and Fellow Members. The Public Members, including labor and business leaders, represent "the community" in the council they give Hudson, Mr. Singer says.

The Fellow Members are specialists, most of them at universities. They include A. Doak Barnett, the China scholar from Columbia University; Milton Friedman, the University of Chicago economist; Carl Kaysen, director of the Institute for Advanced Studies in Princeton, N.J.; and Prof. Morgenthau.

How much these men contribute to Hudson's work is debatable. Prof. Morgenthau, who has ideological differences with Mr.

Kahn, often comments on reports in preparation, but he says good-naturedly, "I have no illusions about having any influence on Mr. Kahn."

#### ASSESSING HUDSON'S INFLUENCE

How influential is Hudson's work? Some doubters suggest that "all those reports turned out by think tanks just go into the files and get forgotten," but Mr. Foster of the Defense Department says that when he gets a Hudson report, "I make a one-page summary of it and it goes to my boss, Mr. McNamara."

Mr. Singer, Hudson's president, notes that much of the institute's work is educational and thus is difficult to evaluate in terms of concrete results. Most famous of Hudson's educational activities are the week-long seminars at the institute, when selected visitors hear marathon lectures by Mr. Kahn and his associates.

Hudson's director is reluctant to be specific about the contributions of organizations like his. "When you have a project," he says, "somebody always thought of it before you did, somebody has to fight it along with you and somebody fights it after you." But in national affairs, he thinks "many of the things that have happened would have happened five or ten years later" if it hadn't been for the think tanks.

#### WHEAT TRADE BETWEEN THE UNITED STATES AND JAPAN

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Washington [Mr. FOLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FOLEY. Mr. Speaker, the United States is now being visited by a most important and distinguished trade delegation from Japan. For the past 2 weeks this delegation, headed by Mr. Keinosuki Numata, executive director of the Japan Milling Industry Development Foundation, has toured our wheat-producing areas meeting with producer and export associations.

This delegation represents over 70 percent of Japanese milling industry and is by far the most significant trade delegation of its kind ever to visit the United States.

Today a statement by Mr. Numata was made to the House Agriculture Committee. It deserves more than such a limited audience, and I therefore include it in the RECORD in its entirety:

#### STATEMENT BY MR. KEINOSUKI NUMATA

Mr. Chairman and members of the committee: It is a great honor for me to have this opportunity to briefly speak to you today regarding the wheat trade between the United States and Japan.

First, on behalf of the Japan Flour Millers Team, I would like to extend our sincere appreciation to the American wheat producers and the United States Department of Agriculture for their kindness in inviting us to visit this beautiful country. We have enjoyed every second since our arrival in Seattle on September 5, because of their generous hospitality and cooperation.

We have had several visits to this country in the past and from everyone we have learned something new, which is the most beneficial part of any trip to the United States.

Now, I would like to introduce my team members. They are Mr. Kimura, the Execu-

tive Director of Nippon Flour Mills; Mr. Hirano, Vice President of Showa Sangya Co.; Mr. Ishii, Managing Director of Nisshin Flour mills and Mr. Taki, Executive Director of Nitto Flour Mills. My name is Keinosuki Numata and I am the Executive Director of the Flour Mills Association. Mr. Hannya is our secretary and tour manager from the Wheat Associates office in Tokyo.

The four flour mills represented by our team members produce almost 70% of wheat flour milled in Japan. The team more nearly represents the entire Japanese wheat industry than any before.

It has only been 70 years since the Japanese flour milling industry was first mechanized—primarily with roller mills and other modern equipment imported from the U.S. The last 40 years, particularly, has been a period of remarkable modernization and development for our industry.

We are very much aware of the important role played by the tremendous amount of wheat donated to Japan by the United States in the immediate post-war days. There were very serious food shortages in Japan largely because of the abandonment of land and the loss of large rice-supplying sources such as Taiwan, Korea and others. The wheat given to our country through GALIOA and EROA not only helped to save the lives of our people but also paved the way to the prosperity of our industry today.

Whenever I remember those difficult days, I cannot find adequate words to express my appreciation to this nation.

In 1938, when the war began for us, the total amount of wheat milled annually in Japan was only one million tons, about 37 million bushels. Today the wheat consumption in Japan has increased to almost five million metric tons or 185 million bushels. As you can see, Japanese wheat consumption has increased 5 times over the past 30 years.

There are, of course, many reasons for such a tremendous increase. Population increase is one major factor since Japan now has a population of over 10 million. However, the most important factor is the rapid westernization of the culture of our people which has been greatly stimulated by the trade and cultural exchange between our two nations.

For example, under the Japan school lunch program, 100 percent of the primary school children are fed bread or pasta products every day. 70% of the junior high schools are also under the program. The school lunch program is considered to be one of the most effective methods of promoting wheat flour products in Japan and it has played a very important role in this respect.

Because of the economic growth of Japan, consumers today are generally more interested in variety and specialty foods. As a result, Japanese per capita consumption of rice has been decreasing year by year while the per capita consumption of wheat flour has become closer to that of your country. The total wheat imported and grown is consumed in the following manner: noodle 39%; bread 34%; pastries 14%; industries 3%; other 10%.

Westernization of our food habits is closely related to the increased importation of wheat. Japan's annual imports of agricultural commodities from all countries totals over 2 billion dollars. Out of this total, Japan now buys 900 million dollars worth of agricultural commodities from the United States. This figure should reach one billion dollars in the near future.

As far as wheat is concerned, Japan expects to import at least 2.3 million metric tons from the U.S. this year, which will be almost 20% of your total crop. I call your attention to the fact that the U.S. provides 44% of all wheat consumed—both imported and produced domestically—in Japan. This means the U.S. will rank first for the fifth straight year as a supplier of wheat to Japan. We understand that Japan is the

largest cash customer in the world for U.S. wheat.

I would be remiss if I failed to pay tribute to the American wheat producers. I refer to those affiliated with Western Wheat Associates. Their efforts in aiding our industry with market promotion, research and technical assistance have provided a most useful service. With their help, our industry has been able to provide a real contribution and service to our country by improving the nutritional standard of living of our people.

Thank you very much for taking time from your busy schedule to meet with us here today.

### TOUGH GUN LAWS

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. REES] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. REES. Mr. Speaker, President Johnson has reissued his call for legislation to assist the States in the enforcement of their firearms legislation. In his letter to our Presiding Officer, he has made it clear that in his judgment Congress can no longer delay.

As reflected in the attached editorial from the Los Angeles Times of September 7, FBI Director Hoover is likewise of that view.

In the light of opposition voiced by representatives of sportsmen, I have carefully studied the pending legislation. In my judgment it does not impinge on the lawful activity of sportsmen or anyone else. It does guarantee us, however, a reduction in the commission of crime with firearms.

I, for one, join the President, the Attorney General, the Director of the Federal Bureau of Investigation, and the many others who have been pointing the way. Let us get the job done.

The article referred to follows:

#### FBI CHIEF URGES TOUGH GUN LAWS

The respected voice of J. Edgar Hoover, director of the Federal Bureau of Investigation, has been raised in vigorous defense of tougher gun laws. His words should be carefully heeded by all those who profess to see a national "danger" in controls on sale and possession of firearms.

As the veteran FBI chief declared in a signed editorial in his agency's monthly bulletin: "We have reached the point where the time for debate is past; the time for action is here."

At the very least, Hoover wants a federal ban on mail-order purchase of firearms, and controls on interstate transportation of such weapons. Legislation to accomplish this is stalled in the Senate, through the efforts of the surprisingly potent gun lobby.

Hoover would implement this federal proposal through "local registration of weapons." He buttresses his case with some shocking statistics:

During 1966 alone more citizens were slain or assaulted with guns in U.S. streets and homes than were killed in battle during the Korean War.

Of the 57 law enforcement officers killed in line of duty last year, all but two were gunshot victims. That has been the trend since 1960—the weapon in 96% of the police murders has been a gun.

"While it is true a hardened criminal will obtain a gun regardless of statutes in force," says Hoover, "most authorities agree that controls would make acquisition more difficult."

Stricter controls at the local level, particularly registration, would provide major assistance in tracing stolen weapons, Hoover added.

With such expert testimony, it is hard to see how any intelligent person can persist in fighting adequate firearms laws. Yet the opposition continues.

Hoover concludes: "There is no doubt in my mind that the easy accessibility of firearms is responsible for many killings, both impulse and premeditated. . . . Strong measures must be taken, and promptly, to protect the public."

The Times, which has consistently supported comprehensive weapons control laws, applauds the FBI director's latest statement on the issue. We hope it will help convince the Doubting Thomases.

### CONSTITUTION WEEK

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. BEVILL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BEVILL. Mr. Speaker, under leave to extend my remarks, I include the text of an editorial that appeared in the Sunday, September 17, 1967, issue of the Gadsden Times. These remarks emphasize the great need for us to renew our acquaintance with the Constitution; to rededicate ourselves to fulfilling its promises.

As the Times brings out, no better way of observing this Constitution Week could be devised than the thoughtful re-reading of the Constitution in its entirety.

The editorial follows:

[From the Gadsden (Ala.) Times, Sept. 17, 1967]

#### CONSTITUTION WEEK

Strong enough to meet its obligations at home and abroad.

Secure enough to guarantee the liberties of its people.

Such was the type of government the framers of the Constitution of the United States were determined to provide.

The history of the nation is the proof of their success. The document, signed 180 years ago today, Sept. 17, 1787, welded 13 states into a union and guided that Union, in less than two centuries, to a position of world leadership.

Washington and Franklin, Madison and Hamilton, among half a hundred others, left their mark upon it. They knew the document was a compromise of many shades of political belief, but they placed their faith in the great basic principles it expressed: the sovereignty of the people, respect for the states as separate entities, division of power among three equal and independent branches of government which would serve as permanent checks on each other, separation of church and state, rule by the majority.

Today, by proclamation of the President, begins celebration of Constitution Week.

No better observance of the occasion could be devised than thoughtful re-reading of the Constitution in its entirety. Falling

that, a consideration of the Preamble in the light of today's issues would be a rewarding study requiring only a few moments.

The purpose of the Constitution, its framers declared in the name of the people of the United States, was "to form a more perfect Union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity."

### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HOSMER, for September 25-29, on account of official business of Joint Committee on Atomic Energy.

Mr. BROOMFIELD (at the request of Mr. GERALD R. FORD), for an indefinite period, on account of official business as U.S. delegate to the United Nations.

Mr. McCULLOCH (at the request of Mr. GERALD R. FORD), for today, on account of official business—National Advisory Committee on Civil Disorders.

Mr. HARRISON (at the request of Mr. GERALD R. FORD), for September 21, 1967, on account of official business.

### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to the following Members (at the request of Mr. BUCHANAN) and to revise and extend their remarks and include extraneous matter:

Mr. HALPERN, for 15 minutes, on September 21.

Mr. POFF, for 1 hour, on September 21.

Mr. GUBSER, for 1 hour on September 21.

### EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

(The following Members (at the request of Mr. PATTEN) and to include extraneous matter:)

Mr. TEAGUE of Texas.

Mr. KEE.

Mr. NIX.

Mr. POAGE.

Mr. MCCARTHY in three instances.

### SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 477. An act for the relief of the widow of Albert M. Pepon; and

S. 953. An act to amend the Food Stamp Act of 1964.

### ADJOURNMENT

Mr. PATTEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 53 minutes p.m.), the House adjourned until tomorrow, Thursday, September 21, 1967, at 12 o'clock noon.



## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1086. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated November 30, 1966, submitting a report, together with accompanying papers and illustrations, on a review of the report on Lake Chicot, Ark., requested by a resolution of the Committee on Public Works, House of Representatives, adopted June 19, 1963 (H. Doc. No. 168); to the Committee on Public Works and ordered to be printed with illustrations.

1087. A letter from the Director, Office of Emergency Planning, Executive Office of the President, transmitting a copy of the Statistical Supplement, Stockpile Report to the Congress, for the period ending June 30, 1967, pursuant to the provisions of Public Law 79-520; to the Committee on Armed Services.

1088. A letter from the executive secretary, Public Service Commission of the District of Columbia, transmitting the 54th annual report of the Public Service Commission of the District of Columbia for the calendar year 1966, pursuant to the provisions of paragraphs 14 and 20 of section 8 of an act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes, approved March 4, 1913; to the Committee on the District of Columbia.

1089. A letter from the Secretary of Commerce, transmitting the 11th program report on the activities of the U.S. Travel Service for calendar year 1966, pursuant to the provisions of section 5 of the International Travel Act of 1961; to the Committee on Interstate and Foreign Commerce.

1090. A letter from the Secretary of the Interior, transmitting a contract between the U.S. Government and the Metropolitan Water District of Southern California, pursuant to the provisions of Public Law 90-18; to the Committee on Interior and Insular Affairs.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROCK:

H.R. 13015. A bill to establish a Small Tax Division within the Tax Court of the United States; to the Committee on Ways and Means.

By Mr. CELLER:

H.R. 13016. A bill to provide cost-of-living allowances for judicial employees stationed outside the continental United States or in Alaska or Hawaii, and for other purposes; to the Committee on the Judiciary.

H.R. 13017. A bill to amend section 792(a), title 28, United States Code, to provide for the appointment of five additional commissioners by the Court of Claims; to the Committee on the Judiciary.

By Mr. ERLBORN:

H.R. 13018. A bill to amend section 303(b) of the Interstate Commerce Act to modernize certain restrictions upon the application and scope of the exemption provided therein; to the Committee on Interstate and Foreign Commerce.

By Mr. EVERETT:

H.R. 13019. A bill to amend title 38 of the United States Code so as to increase the income limitations for pension purposes applicable to veterans of World War I, World War II, the Korean conflict, and the Vietnam era who are in need of regular aid and attendance; to the Committee on Veterans' Affairs.

By Mr. MADDEN:

H.R. 13020. A bill to amend the Nurse Training Act of 1964 to provide for increased assistance to hospital diploma schools of

nursing; to the Committee on Interstate and Foreign Commerce.

By Mr. O'HARA of Illinois:

H.R. 13021. A bill to provide for the issuance of a special postage stamp to commemorate the 50th anniversary of the independence of the Baltic States (Estonia, Latvia, and Lithuania); to the Committee on Post Office and Civil Service.

By Mr. WILLIAMS of Mississippi:

H.R. 13022. A bill to provide for orderly trade in textile articles; to the Committee on Ways and Means.

By Mr. YATES:

H.R. 13023. A bill to amend title VI of the Public Health Service Act to improve the existing program for assistance for construction and modernization of hospitals and other medical facilities and to provide for the making of loans for such modernization; to the Committee on Interstate and Foreign Commerce.

By Mr. DERWINSKI:

H.R. 13024. A bill to amend the Labor-Management Reporting and Disclosure Act of 1959 to make such act applicable to Federal employee unions; to the Committee on Education and Labor.

By Mr. McMILLAN (by request):

H.R. 13025. A bill to permit the District of Columbia Council to make rules and regulations under the Alcoholic Beverage Control Act, and for other purposes; to the Committee on the District of Columbia.

By Mr. MILLS:

H.R. 13026. A bill to change the period during which an individual is permitted to enroll under part B of title XVIII of the Social Security Act (relating to supplementary medical insurance benefits for the aged), and for other purposes; to the Committee on Ways and Means.

By Mr. DON H. CLAUSEN:

H.R. 13027. A bill to amend the Federal Flood Insurance Act of 1956, to provide for a national program of flood insurance, and for other purposes; to the Committee on Banking and Currency.

By Mr. HAGAN:

H.R. 13028. A bill to provide for orderly trade in textile articles; to the Committee on Ways and Means.

By Mr. MACHEN:

H.R. 13029. A bill to authorize the construction of a low diversion structure or dam on the Potomac River, Md.; to the Committee on Public Works.

By Mr. KUYKENDALL (for himself, Mr.

RIEGLER, Mr. ANDERSON of Illinois, Mr. BATTIN, Mr. BIESTER, Mrs. BOLTON, Mr. BUSH, Mr. CRAMER, Mr. DONOHUE, Mr. GOODELL, Mr. HUNT, Mr. JACOBS, Mr. KING of New York, Mr. LAIRD, Mr. McCULLOCH, Mr. MCGREGOR, Mr. MATSUNAGA, Mr. MOSS, Mr. POFF, Mr. RAILSBACK, Mr. RIVERS, Mr. ROGERS of Colorado, Mr. SANDMAN, Mr. STEIGER of Arizona, and Mr. WHITENER):

H.R. 13030. A bill to amend title 18 of the United States Code to make it unlawful to assault or kill any member of the armed services engaged in the performance of his official duties while on duty under orders of the President under chapter 15 of title 10 of the United States Code or paragraphs (2) and (3) of section 3500 of title 10 of the United States Code; to the Committee on the Judiciary.

By Mr. RIEGLER (for himself, Mr. Kuy-

kendall, Mr. ANDERSON of Illinois, Mr. BATTIN, Mr. BIESTER, Mrs. BOLTON, Mr. BUSH, Mr. CRAMER, Mr. DONOHUE, Mr. GOODELL, Mr. HUNT, Mr. JACOBS, Mr. KING of New York, Mr. LAIRD, Mr. McCULLOCH, Mr. MCGREGOR, Mr. MATSUNAGA, Mr. MOSS, Mr. POFF, Mr. RAILSBACK, Mr. RIVERS, Mr. ROGERS of Colorado, Mr. SANDMAN, Mr. STEIGER of Arizona, and Mr. WHITENER):

H.R. 13031. A bill to amend title 18 of the United States Code to make it unlawful to

assault or kill any member of the armed services engaged in the performance of his official duties while on duty under orders of the President under chapter 15 of title 10 of the United States Code or paragraphs (2) and (3) of section 3500 of title 10 of the United States Code; to the Committee on the Judiciary.

By Mr. EILBERG:

H.R. 13032. A bill to amend section 336(c) of the Immigration and Nationality Act so as to authorize any petitioner for naturalization to take the oath of allegiance at a final hearing held upon his petition within 30, rather than 60, days preceding a general election; to the Committee on the Judiciary.

By Mr. HALPERN:

H.R. 13033. A bill to require the disclosure of gifts, income, certain financial interests, and clerk hire; to the Committee on Rules.

By Mr. MOORE:

H.R. 13034. A bill granting the consent of Congress to the Interstate Compact on Air Pollution between the States of Ohio and West Virginia; to the Committee on the Judiciary.

By Mr. BELL:

H.J. Res. 836. Joint resolution designating the month of May 1968 as National Airmail Golden Anniversary Month; to the Committee on the Judiciary.

By Mr. FUQUA:

H.J. Res. 837. Joint resolution in opposition to vesting title to the ocean floor in the United Nations; to the Committee on Foreign Affairs.

By Mr. WHALLEY:

H.J. Res. 838. Joint resolution proposing an amendment to the Constitution of the United States relating to the power of the Supreme Court to declare any provision of law unconstitutional; to the Committee on the Judiciary.

By Mr. WYLIE:

H.J. Res. 839. Joint resolution to provide for a study of the resources of the ocean floor by the National Council on Marine Resources and Engineering Development, and to prevent certain premature actions which might adversely affect the interests of the United States in such resources, to the Committee on Merchant Marine and Fisheries.

By Mr. COLLIER:

H. Con. Res. 505. Concurrent resolution to establish a joint congressional committee to investigate riots and violent civil disorder; to the Committee on Rules.

By Mr. HALPERN:

H. Con. Res. 506. Concurrent resolution to establish a Joint Committee on Ethics and Conduct; to the Committee on Rules.

By Mr. BROOMFIELD:

H. Res. 924. Resolution to express the sense of the House of Representatives concerning a means toward achieving a stable and durable peace in the Middle East; to the Committee on Foreign Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRASCO:

H.R. 13035. A bill for the relief of Guiseppe Caracchiolo; to the Committee on the Judiciary.

H.R. 13036. A bill for the relief of Lionel Rovira; to the Committee on the Judiciary.

By Mr. KUPFERMAN:

H.R. 13037. A bill for the relief of Marcela S. Vista; to the Committee on the Judiciary.

By Mr. IRWIN:

H.R. 13038. A bill for the relief of Italia Fonzone; to the Committee on the Judiciary.

By Mr. MULTER:

H.R. 13039. A bill for the relief of Benedetto Amato and his wife, Valerio Amato; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:  
H.R. 13040. A bill for the relief of Panagiotis Drosos; to the Committee on the Judiciary.  
By Mr. ROYBAL:  
H.R. 13041. A bill for the relief of Hideo Kodama; to the Committee on the Judiciary.

### PETITIONS, ETC.

Under clause 1 of rule XXII,

158. The SPEAKER presented a petition of the city of Brook Park, Ohio, relative to a resolution on rioting, which was referred to the Committee on the Judiciary.

## SENATE

WEDNESDAY, SEPTEMBER 20, 1967

The Senate met at 11 o'clock a.m., and was called to order by the Acting President pro tempore (Mr. METCALF).

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father God, Thou hast ordained that in the leadership of the Nation the care of the many must ever rest upon the few. We beseech Thee, give understanding, humility, and charity to them who, in the name and for the Nation's sake, are entrusted here with the power of governance.

We pause at this wayside altar, not just to bow our spirits in a passing gesture of devotion and then go on our busy way with lives empty of Thee: Rather, we come to ask Thy presence and Thy guidance as this day we face the strain of toil, the weight of burdens, and the call of duty. Keep love's banners floating o'er us as we march forward in the ranks of those who do justly and walk humbly with their God.

Thou hast made us to be Thy temples. Grant that the sacred places of our inner lives may harbor nothing unworthy of our high calling in Thee:

The ruins of our soul repair,  
And make our heart a house of prayer.  
In the Redeemer's name. Amen.

### THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, September 19, 1967, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 477) for the relief of the widow of Albert M. Pepoon.

The message also announced that the House had agreed to the amendment of the Senate to the amendments of the House to the bill (S. 953) to amend the Food Stamp Act of 1964 for the purpose of authorizing appropriations for fiscal years subsequent to the fiscal year ending June 30, 1967.

The message further announced that the House insisted upon its amendments to the bill (S. 602) to revise and extend the Appalachian Regional Development Act of 1965, and to amend title V of the Public Works and Economic Development Act of 1965, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FALLON, Mr. JONES of Alabama, Mr. WRIGHT, Mr. EDMONDSON, Mr. CRAMER, Mr. SCHWENGL, and Mr. CLEVELAND were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the bill (S. 1956) to extend for 2 years the authority for more flexible regulation of maximum rates of interest or dividends, higher reserve requirements, and open market operations in agency issues, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 1655. An act for the relief of Clara B. Hyssong;

H.R. 5233. An act for the relief of Mrs. Sophie Michalowska; and

H.R. 10655. An act for the relief of Arthur Anderson.

### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the Judiciary:

H.R. 1655. An act for the relief of Clara B. Hyssong;

H.R. 5233. An act for the relief of Mrs. Sophie Michalowska; and

H.R. 10655. An act for the relief of Arthur Anderson.

### LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements during the transaction of routine morning business be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Under the order previously entered, there will be 15 minutes of morning business; and, without objection, the time will be so limited.

### VOCATIONAL REHABILITATION AMENDMENT OF 1967

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 550, H.R. 12257.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 12257) to amend the Vocational Rehabilitation Act to extend and expand the authorization of grants to States for rehabilitation services, to authorize assistance in establishment and operation of a National Center for Deaf-Blind Youths and Adults, and to provide assistance for migrants.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. YARBOROUGH. Mr. President, we have before us today a bill that would continue and even increase this Nation's commitment to vocational rehabilitation—surely one of the most worthy endeavors of the Federal Government. I am pleased to stand in support of H.R. 12257, and I wish to commend the very able leadership provided on this legislation by the distinguished chairman of the Subcommittee on Health, Senator HILL, of Alabama. As is widely known, Senator HILL is one of the principal architects of this Nation's outstanding public health program, and it is through his continuing creative overview that this program has shown a capacity to adjust to the health needs of the people.

There are three major provisions of H.R. 12257 that are of special interest to me. First is the provision increasing and extending the authorization of funds for allocation to States for vocational rehabilitation services. Mr. President, disability presents a formidable problem in our society today. In our hearings on this bill, the very capable and distinguished Mary E. Switzer, then Commissioner of Vocational Rehabilitation and now the Administrator of the newly organized Social and Rehabilitation Service, stated the problem very clearly for us:

We still have close to 4 million disabled people who need vocational rehabilitation services if they are to become employable. Around 400,000 new cases are added each year. Against this need, our Federal-State program rehabilitated 173,000 disabled people into useful work last year. . . .

Thus we still have a great challenge before us, if we are to reach and restore those who need help.

The challenge, Mr. President, is to close the gap between the 173,000 rehabilitated and the 400,000 requiring rehabilitation. This legislation will make strides in that direction. The bill would authorize \$500 million for allotment among the States in 1969 and \$600 million in 1970. It is estimated that this increased funding will in turn increase the number of individuals rehabilitated to 247,000 in 1969 and to 278,000 in 1970. I suggest that this is a pretty good return on our money.

Since the vocational rehabilitation program began under President Woodrow Wilson in 1920, more than 2 million handicapped individuals have received service and have been rehabilitated to activity and useful work. Through this 47-year Federal-State cooperative effort, thousands of citizens have escaped the relief rolls and unemployment lists to enjoy productive lives. It is estimated that each Federal dollar invested in rehabilitation yields a return of \$5 in income taxes paid by persons rehabilitated.

In my own State, the Texas Division of Vocational Rehabilitation provided services to more than 22,000 disabled citizens during fiscal year 1967. Of this number 6,752 persons were rehabilitated—an increase of 19 percent over the previous fiscal year. It is estimated that from June of 1967 to June of 1968 some 27,500 Texans will be provided vocational rehabilitation services, and that more than 8,000 of these will be